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Southeast Asia Report

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16 May 1984

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CANBERRA, WELLINGTON DEFENSE MINISTERS MEET; USSR POWER FEARED

Perth THE WEST AUSTRALIAN in English 14 Mar 84 p 14

[Text]

CANBERRA: The Australian and NZ governments are becoming increasingly worried about the Soviet build-up in the Indian and Pacific Oceans.

This became apparent yesterday after a meeting between the Australian Minister for Defence, Mr Scholes, and his NZ counterpart, Mr David Thomson, in Canberra.

Mr Thomson said he had recently visited the ASEAN countries and was worried about the Vietnamese occupation of Kampuchea and the Soviet military build-up in the region.

Mr Scholes said that the Australian Government would continue to regularly monitor the Soviet build-up, especially in the Indian Ocean.

Mr Thomson said he was worried about the Soviet development of an offensive capacity in the Pacific "which went far beyond the legitimate needs of the USSR to defend its Pacific coastline."

"Their use of Vietnamese facilities highlights the anxiety in the region at this intentional increase in Soviet offensive capacity," he said.

ty," he said.

"We now have to have the capacity to keep a watch and encourage so far as we can a political settlement of any issue that might have a military connotation."

The ministers also had further talks on NZ interest in buying Royal Australian Navy Skyhawk aircraft and equipment.

Mr Thomson said it was now a matter of arriving at a mutually acceptable purchase price. What had to be considered was that the Skyhawk aircraft had only about 10 years' useful service left.

"It is not quite like buying from Woolworths," he said.

"It must be done carefully, bit by bit."

The ministers also discussed the Australian-NZ contingent in the Sinai peace force.

Mr Thomson said that it was "fair enough to say we want Australia to stay there."

CSO: 4200/695

DEFENSE DEPARTMENT REPORTS SHORTCOMINGS TO PARLIAMENT

Sydney THE SYDNEY MORNING HERALD in English 21 Mar 84 p 15

[Article by Patrick Walters

[Text]

CANBERRA — Australia's defence forces would have difficulty confronting even a low-level threat to Australia's security, the Defence Department has acknowledged.

In allowing Australia's operational defence capabilities to run down, the department admits that it is taking short-term risks based on its assessment of no foreseeable threat to Australia's security.

In a submission to the parliamentary Joint Foreign Affairs and Defence Committee the department contends that Australia would have several years of warning time to meet all but the most limited military threat.

This would enable the defence forces to reach the level of operational efficiency and acquire the equipment necessary to meet the expected contingencies.

In its submission to the Sub-committee on Defence Matters the department said that its reserve stocks of ammunition, weapons and spare parts would not support "any sustained combat involvement of our forces beyond low-level operations.

"We have found it necessary to hold down these stock levels to meet only our more important training needs together with a modest operational commitment."

The Defence Department says that the rundown in the operational efficiency of the defence forces is necessary to help pay for major new capital equipment programs such as the F-18 fighter.

The sub-committee is inquiring into the capability of the Australian defence forces to fulfil its role.

Giving evidence at yesterday's hearing were the Secretary of the Defence Department, Sir William Cole, the Chief of the Defence Force Staff, Air Chief Marshal Sir Neville McNamara, and a deputy secretary of the department, Mr Alan Wrigley.

In its submission the department said:

- * Its existing store of knowledge was deficient, especially in charting, mapping and infrastructure.

- * Australian defence force command, control and communications systems were not sufficient for the operational needs of a modern defence force.

- * Its capability for aerial surveillance and air defence, especially at low altitude, was limited by resources and technology.

- * Australia's defence factories, in some important respects, were out of step with today's strategic needs and defence technologies.

- * Acknowledged that the RAN's mine countermeasures and mining capability was deficient.

Sir Neville McNamara told the committee that the Army, because of Australia's commitment to the Sinai force, did not have enough helicopters to lift a company of troops (about 250 men).

Equipment deficiencies:

- No anti-submarine helicopters embarked on ships at sea.
- Not enough helicopters in Australia for the Army to undertake necessary training obligations.
- Insufficient reserve stocks of ammunition, spares and weapons to support sustained combat operations.
- Existing knowledge of Australia deficient especially in charting, mapping and infrastructure. Replacement aircraft for mapping and survey work still to be acquired.
- Aerial surveillance and air defence capabilities very limited.
- Command control and communication systems for the defence forces deficient.
- Defence factories antiquated.
- The RAN has only two aged minehunters -- mine countermeasures capability deficient.
- No early warning aircraft.
- No aerial-refuelling capability although this will be acquired in the next few years with recent purchase of two more Boeing 707s.

CSO: 4200/695

ANALYSTS FORESEE HAWKE REELECTION, HISTORIC POWER REALIGNMENT

Canberra THE AUSTRALIAN in English 19 Mar 84 p 1

[Article by Peter Ward]

[Text]

THE Hawke Government will be "unbeatable" if a general election is held within 12 months and its current economic strategies remain intact, according to the latest Australian Bulletin of Labor.

And in his second term the Prime Minister would then preside over the greatest realignment of financial power in Australia's history.

The forecasts are made by economists Professor Richard Blandy and Mr Mark Wooden in the bulletin which is published by the National Institute of Labor Studies at Flinders University.

They say they are assuming the Hawke-Keating "dry-Martini-style" economic policy and the wages accord remain intact and that recovery continues in the rest of the world.

If that happens Mr Hawke will have delivered more than 300,000 of his 500,000 new jobs by the end of 1984 and will have presided over an apparent halving of inflation and a two percentage point fall in the unemployment rate.

"He will then be unbeatable at the general election he will call towards the end of this year, or the beginning of next," they say.

The economists forecast employment is likely to rise between 2.5 and 3.5 per cent over 1984 given an anticipated productivity growth of between

0.5 per cent and 1.5 per cent and growth in real non-farm output of between 3 to 5 per cent.

And they expect over the year the unemployment rate will fall by 1.5 percentage points, giving a rate in December of about 8 per cent compared with December 1983's 9.6 per cent. The number unemployed in the same period will have fallen from 687,600 to 550,000.

Such results will obviously provide a favorable climate for elections aimed at bringing the Senate into line with the House of Representatives.

They would also strengthen Labor's hold on government during subsequent years when the economy may sag again despite a major refocussing of financial interests in the country.

The authors predict "this historic realignment" will see Melbourne decline as "the economic, political and ideological heartland of Australia" and Sydney emerge as the "new power broker".

They see the shift as the inevitable outcome of a clash of interests between old structures and new opportunities.

And they say if the new interests win, Mr Hawke and the ALP will emerge as their champions, political alignments in Australia will change and "tinsel town will reign supreme at last".

Professor Blandy and Mr Wooden claim NSW is being supported by an emerging coalition of interests with Queensland, Western Australia and the Northern Territory.

"As we see it, Australia is now confronted by a classical example of Marxist dialectics: 'thesis' clashing with 'anti-thesis'.

"The 'thesis' is old capital and finance, much of it Brit-

ish, and its social, institutional and regulatory framework centred in Victoria, supported by its coalition of interests with South Australia and Tasmania.

"This was the winning coalition at federation, which established Melbourne's financial, political and ideological dominance over the Commonwealth.

"The 'antithesis' is new capital and finance, much of it American and Asian, together with new Australian capital and its interest in a new social, institutional and regulatory framework.

"It seems very likely to us that Sydney will become the

heart of Australia's deregulated, international finance industry with new Australian, American and Asian capital as its base.

"As such, Sydney will be able to control and profit from the opportunities for new capital investment arising from restructuring, particularly in NSW and its coalition States."

If this is correct, the editors argue, "Melbourne will decline as the economic, political and ideological heartland of Australia and dominant political ideas and influence will shift to the new coalition headed by NSW."

Such shifts, they say, do not happen often, but they believe that the financial moves of the Hawke Government, especially if followed up by the restructuring philosophy outlined by the Prime Minister in Japan, are likely to lead in this direction.

"It is no accident, in our opinion, that the 'dry' program has been picked up by Mr Hawke and the rest of the economic rationalist wing of the ALP.

"It is the obvious program if one sides with the forces of history and with new interests struggling against established interests."

In their analysis of the Australian labor market the authors forecast a change in earnings in 1984 of 6 per cent, based on 4 per cent indexation being granted by the Arbitration Commission this month and 2 per cent indexation in September.

The change in the CPI is

also forecast as 6 per cent, based on 2 per cent in the first half of the year and 4 per cent in the second half.

These will reflect wage increases in the preceding nine months, increased public sector charges and indirect taxes, and possibly some lengthening of profit margins.

They say if this forecast is correct, and in March 1985 wages will be indexed by 4 per cent again, there will be a productivity increase in pay as well.

"Unless something else happens, we look to be locked into six to eight per cent inflation (or worse) for the next few years."

However, the bulletin's authors say more interesting questions for the economy reside in the longer term with centralised wage fixing arrangements due to be reviewed in the middle of 1985.

They say by then they expect the arrangements and the wages accord to be under "great pressure".

The pressures will have been held at bay during 1984 by the tax cuts expected to offset the Medicare-induced fall in indexed wage movements, by the "talked up" prospect of an early election and by the ACTU's involvement in government economic planning initiatives.

"After the election, in the expansive atmosphere generated by a substantial ALP win, in the context of a rapidly growing economy, and of the unions having bitten the bullet for two years (including the wages pause), the present

degree of wage restraint will be greatly at risk," they warn.

They also say the US economic recovery may slow in 1985-6 "in the normal course of the political cycle in that country" and the prudent political course in Australia would be to use the first budget of the new Parliament to tighten up on economic policy in order to relax it 18 months later.

"If these pessimistic suppositions are correct, we would expect the present growth phase to top out during 1985, for inflation and interest rates to move upwards, and for unemployment to bottom and start increasing again," the authors say.

"The possibility these suppositions are correct may lead many businessmen to defer investment plans through 1984 until the policies of the Hawke Government and the shape of emphasis in the accord becomes clear."

Calling this their "gloomy scenario", they say this would mean a shallow private sector recovery based largely on existing capacity, a substantial increase in public sector spending, increased exports from the farm and mining sectors.

With their "optimistic scenario" they see world recovery continuing apace, unions continuing to accept zero increases in real after-tax pay, the deficit reined in, and the deregulatory wing of the ALP continuing to dominate the regulators

YEN, DOLLAR RATE AIDS EXPORTERS TO JAPAN

Sydney THE SYDNEY MORNING HERALD in English 17 Mar 84 p 29

[Article by Hamish McDonald: "The Yen Also Rises"]

[Text]

TOKYO, Friday. — Australian exporters, faced for the first time in years with a rise in the Australian dollar, must be encouraged by the behaviour of the Japanese yen.

The rise in the Japanese currency against the United States dollar this month must strengthen their case against demands for cuts in US dollar denominated prices.

This crucially affects the Australian coal industry, as the iron ore industry took their chances and settled much earlier in the negotiating season.

With prices set in US dollars for the past two years the coal shippers have been able to absorb heavy cuts in contract price with comparatively little reduction in Australian dollar earnings.

This year they are under heavy pressure from Japan to follow US and South African suppliers by cutting contract prices by about 6 per cent, about \$3 from the present \$54 a tonne level for hard coking coal.

However, the rise in the Australian dollar against the US unit has provided an ominous backdrop to negotiations over the past two months.

Other factors are still at play in the coal negotiations — the improving outlook for steel production in Japan, Canadian suppliers' moves, and of course the Federal Government's export

guidelines — but the yen could also be employed.

The yen's exchange value to the US dollar has held in the 232-to-234 yen range for many months, despite long-held expectations of a rise based on the strength of Japan's economy.

The switch from dollars to yen (started apparently by the Soviet Foreign Trade Bank in London on March 2) saw the yen rise briefly to ¥ 220 and then move down again slightly to fluctuate in the ¥220 to ¥225 range.

Experts have given their guesses on the outlook over the next year and on what is the "true" value of the Japanese currency.

While many say the yen should find itself at ¥175 to ¥180, the majority opinion is that the rise will be slow rather than the burst that took it to yen 180 in 1978. But the ¥210 level might be passed easily within the next few months.

Doubts still linger that the Japanese authorities are trying to brake this market adjustment, but no one has produced any evidence

of how they might be achieving the weakness which has occurred.

Reducing its \$30 billion trade surplus is now Japan's highest priority. Major export industries — especially cars and electronics — are now so far ahead of the competition in technology and style that price margins are not so delicate.

Lowering the cost in yen of imported raw materials would help the weakest sector of big business, the heavy materials industries such as oil refining, steel and other metals, food and transport.

All these industries have been in a loss-making state or barely breaking even over the past years. A stronger yen will help profitability considerably.

Cheaper imports would also tighten the clamps on domestic prices and encourage demand at home, part of the avowed strategy of pushing economic growth past 4 per cent in the coming year.

That has certainly been the impression in company circles in Tokyo, reflected in rising stock market prices and easing of interest rates on long-term securities — although the Bank of Japan is still cautious about a further cut in the official discount rate, now five per cent.

Even if the yen stalls at its current level for some time, it still means that buyers of raw materials paying in US dollars will enjoy a 4 to 5 per cent saving in their yen outlays.

WEST AUSTRALIA OFFICES IN SE ASIA, CHINA CONSIDERED

Perth THE WEST AUSTRALIAN in English 14 Mar 84 p 5

[Text]

THE WA Government is considering opening offices in South-East Asia, particularly China, by rationalising its London office.

The Acting Premier, Mr Bryce, said yesterday that it made more sense to have representation in China, Singapore, Korea and Jakarta than a big London office that duplicated facilities.

WA's only official presence was in London and Tokyo.

It was thought that the South-East Asian offices would be similar to the one in Tokyo, with a staff of about three each, down from local people, and one West Australian.

These would be funded by the money saved on the London office staff, which was now 30 but had been 39.

The Government intended to cut the London office staff back considerably to make it a professionally oriented economic intelligence organisation rather than a place for people to have cups of tea.

84 replies

Mr Bryce said that the WA Overseas Project Authority had received 84 replies from people and companies interested in carrying out a feasibility study in China's Qinghai

Province towards the establishment of a model farm.

WA had been invited by the governor of the province to assist in the setting-up of a big agricultural project.

Mr Bryce said that the Chinese wanted assistance with the establishment of artificial pastures, development of natural pastures, the breeding of fine wool and the design of a shearing shed and sprinkler system.

"There is little point in us trying to convince the Chinese people that what we have for a price is what they want," Mr Bryce said.

"The Chinese economy is a planned economy.

"Having identified its needs and objectives, our business objectives must marry those needs."

The Queensland Premier, Mr Bjelke-Petersen, left Brisbane last night at the start of a week-long visit to China, where he will follow the efforts of his WA, NSW and Victorian counterparts to get trade. The trip, his first to China, will also include talks in apan and Hong Kong.

BEEF LOSSES, WIDE-RANGING IMPLICATIONS REPORTED, ANALYZED

Canberra THE AUSTRALIAN in English 19 Mar 84 p 1

[Article by Nigel Austin]

[Text]

AUSTRALIA lost beef exports worth \$43 million at the weekend, bringing to \$100 million the value of markets lost in South Korea, Singapore, Malaysia, the Middle East and the European Economic Community.

The cutbacks would place the future of abattoirs and the jobs of workers in jeopardy, the chairman of the Australian Meat Exporters Federal Council, Mr Kevin Bowtell, warned yesterday.

So far 39 export abattoirs have closed and more than 7000 men have been put out of work in the meat processing industry in the past few years, he said. Those 7000 men would not be re-employed by the processing sector and further retrenchments and abattoir closures were imminent.

Graziers also would suffer through falling saleyard prices, which had remained at a high level until now only because of the extreme shortage of cattle in Australia.

Mr Bowtell said abundant feed and herd rebuilding had considerably lowered production this year, resulting in smaller exports. The national herd had fallen to 22 million head compared to a peak of 33 million 10 years ago.

South Korea announced at the weekend a cut in imports from Australia to 40,000 tonnes,

a drop of 24,000 tonnes, which would cost the industry about \$43 million.

Australia also would lose at least 70 per cent of its high quality Malaysian and Singapore markets, costing a further \$17 million this year, because of cheaper South American imports, Mr Bowtell said.

The EEC would add a further \$13.85 million to the toll, cutting exports by 70 per cent, while a 50 per cent cut in offal exports to the EEC would cost another \$10 million.

And the Middle East would increase imports from South America and the EEC, reducing Australian imports by one third — worth \$11 million.

Mr Bowtell said the loss of these markets, five of Australia's 10 most important beef markets, made access to the United States even more critical.

Australian beef exports in the first seven months of the 1983-84 financial year fell by 85,153 tonnes with 36 of 44 markets taking less beef.

The loss of major markets because of cheap South American and EEC exports had serious long-term consequences.

"South America is carving us to pieces with prices 60 cents a kg below what we can offer," Mr Bowtell said.

Charges

"The whole beef industry is in jeopardy and every sector of it should be striving to make the industry viable.

"The Government must show its concern for this sector, which is worth \$1400 to \$1600 million a year, and provide a lead by dropping export inspection charges."

Complete abolition of inspection fees was necessary, not just a reduction.

Korea had not tendered for Australian beef since it cancelled a tender shortly before Christmas.

It claimed a surplus of pork and the need to cut beef supplies to clear the pork glut were the main reasons for lowering beef imports.

Mr Bowtell said it looked as if beef exports to Singapore and Malaysia were a thing of the past.

"Luckily, our main markets in the US, Japan, South Korea, Taiwan and Canada won't take beef from South America and most of the

EEC because of the foot and mouth disease risk from those countries," he said.

Exchange rates, the threat of Japan increasing access for US beef at Australia's expense and the possibility of US quotas or voluntary restraint also were hanging over the Australian beef industry.

The first thing that must be done to relieve the plight of the industry was for the Federal Government to drop export inspection fees.

The prospects of higher US prices in the second and third quarters were a bright spot for the industry, Mr Bowtell said.

Australian beef production will be worth \$2170 million in 1983-84 with exports estimated at \$1583 million, according to the Bureau of Agricultural Economics.

The lamb industry also faces uncertainty this year because of large New Zealand supplies which could be dumped on world markets.

CSO: 4200/695

REPORTAGE ON EAST TIMOR SITUATION

Fighting Continues

Lisbon II SERIE in Portuguese 12 par 84 p 4

[Text] About 200 Indonesian soldiers have been killed in East Timor since August 1983 in sporadic but violent clashes with the guerrillas of the Revolutionary Front for the Independence of East Timor [FRETILIN], report religious and diplomatic sources in Djakarta.

According to the same sources, Indonesian army operations in the former Portuguese territory, which was annexed by Djakarta in 1975, could diminish in late April or early May, to facilitate a diplomatic offensive by the Indonesian authorities, specifically in the United Nations.

The annexation of East Timor (550,000 inhabitants) has never been recognized by the United Nations, and Portugal broke off diplomatic relations with Indonesia following the invasion of East Timor by Indonesian troops in 1975.

There are about 800 FRETILIN guerrillas, most of whom are hiding in the mountains with their families, and they appear to be increasingly short of supplies, according to reliable sources in Djakarta.

Guerrilla casualties have been generally equivalent (more or less 200 dead) to those of the Indonesian army. On the other hand, various eyewitness accounts noted that the "flags are often at half-mast" in the Indonesian army camps.

Djakarta now has about 12,000 to 15,000 soldiers in East Timor, supported by 12 helicopters, tanks and "Bronco" antiguerrilla planes.

Hunger Blockade

According to the sources, the Indonesian troops are no longer seeking confrontation with the "rebels," but are attempting to "starve them out" by blockading the mountains.

On the other hand, in addition to capturing weapons during their battles, the guerrillas are also able to obtain arms thanks to a local black market in weapons and particularly in ammunition. According to several sources in Djakarta, it is not unusual for Indonesian soldiers to resell their weapons when their tour of duty in East Timor is over.

The civilian population cannot always move freely and entire villages suspected of sympathizing with FRETILIN have been "relocated" by the army in more easily controlled areas or in refugee camps.

The Indonesian authorities have made a large number of arrests (several thousand, according to Catholica sources) and are sending more and more foreign officials into the province.

Recently the Indonesians appointed four local officials who are not natives of East Timor. Most of the population of East Timor is Catholic, and the clergy play an important role. Last March, Monsignor Carlos Filipe Belo, apostolic administrator of Dili, distributed a circular, printed in Portuguese, in which he demanded "greater justice" for the Timorese.

The letter, which was read in the churches of the former Portuguese territory, displeased the local Indonesian authorities, the religious sources noted.

Considered a moderate, Monsignor Belo succeeded Monsignor Martinho da Costa Lopes in May 1983. Monsignor Costa Lopes was known for his independent stands. The Church of East Timor is directly dependent on the Vatican, it is stressed in Djakarta.

Although the Indonesian army has not been able to put down the FRETILIN guerrillas and has had to maintain a large military contingent in East Timor, the foreign affairs minister would like to invite various diplomats to visit Dili (the provincial capital of East Timor) in the near future, said diplomatic sources in Djakarta.

Meanwhile, religious sources said an undetermined number of prisoners have "disappeared" or have been sent to prisons outside the province, specifically in West Timor and in Denpasar (capital of the island of Bali).

Threat of Famine

Maputo DOMINGO in Portuguese 15 Apr 84 p 14

[Text] Last July, when the cease-fire was in effect between the Indonesian Armed Forces and FRETILIN, the major problem of the people concentrated in the villages and camps controlled by the Indonesians was famine.

The situation varies from region to region, but nowhere is production sufficient to insure a minimal supply of food throughout the year. In the best cases, farm production is sufficient to enable a family to "survive" for 9 months out of the year (Viqueque, Baucau), but in the worst cases (Laga, Hostiku), production does not meet the basic food needs for more than 3 months. During the rest of the year, the people must live by gathering whatever they can find growing wild, which is of limited nutritional value: the pulp from crushed palm trunks (Sagu), roots and wild tubers (Kumbili)....

During the era of Portuguese colonization and even after the territory was abandoned, Timor did not usually have famine. Why is there a famine now?

For strategic and military reasons, the people have been resettled near the villages or the main lines of communication and hence away from the best farm land. For the same reasons, the free circulation of individuals has been severely restricted; anything beyond a 3-kilometer radius from the camps is generally considered the war zone. In some cases, such as in Meara, the area in which farming is permitted is limited to only 200 to 500 meters around the camps.

Confiscated Land

The best lands and farms that are still accessible have been expropriated and given to military commanders and government officials, local chiefs and other privileged individuals who were willing to collaborate with the Indonesians.

Because the herd was killed off during the early years of the war, stolen by the Indonesians or confiscated for the use of privileged individuals, most people have no cattle, which has led to the abandonment or the drastic curtailment of rice farming, because the cattle were used in preparing the land. Corn, which is easier to grow but which is of less nutritional value, has replaced rice as the staple food.

Both women and men are required to perform free labor for the state (highways, houses, cutting wood) and also to work for privileged private individuals. This forced labor is set at 1 day per week and is prolonged whenever it is of use to the beneficiaries, particularly when farm labor is needed. Moreover, in periods when food is really scarce, many Timorese are willing to work for an entire day in exchange for a single meal.

Military Operations

Every male citizen from 15 to 55 years of age is required to take part in military operations, to transport cargo for the Indonesian soldiers or to stand watch along the roads.

In the region of Dili, families must turn over one third of their annual corn harvest to feed the paramilitary forces.

The entire population is being maintained at a less than minimal standard of living. The wages of the Timorese enlisted in the auxiliary forces of the Indonesian regular army ("hansips" or "tentaras") are insufficient to buy 20 kilograms of rice per month.

In addition to the famine, the reports note that there is a generalized clothing shortage. The existing clothes date from the time of the Portuguese (1975). The Timorese, who are not earning enough to feed themselves, cannot afford clothing, particularly because, in the hands of the Indonesians, the trade is speculative. The price of a pair of trousers is equivalent to a third of the corn produced in a year by a family ("ainaro")

The situation is no better with regard to health. One of the accounts (perhaps because its author is in the health field) said that the basic medicines are vitamin B complex, for ailments, and mercurochrome, for wounds. To treat an

average of 40 to 50 patients a day, each health post receives, per month, 5 bottles of penicillin, 5 bottles of streptomycin, 12 ampules of chloraquine and some pills.

Regarding the development--the highways and zinc houses--which the Indonesians brag so much about, "it is just for show," say the reports. What good are roads, if the Timorese cannot leave their camps and even the International Red Cross personnel cannot travel where they want?

6362

CSO: 3442/343

DEVELOPMENT OF NUCLEAR INDUSTRY DETAILED

Jakarta HARIAN UMUM AB in Indonesian 21 Mar 84 pp 1, 2

[Excerpts] Indonesia will begin to have a nuclear industry at the end of 1986 when the all-purpose reactor at the Scientific and Technological Research Center (PUSPIPTK) in Serpong, 25 km west of Jakarta, becomes operative.

Eng Djali Ahimsa, general director of the National Atomic Energy Board (BATAN) made this statement in response to questions from ANTARA on Tuesday evening [20 March] after the ceremony marking the pouring of the first concrete for the all-purpose reactor building.

The all-purpose reactor, which was designed by Interatom, Ltd. (West Germany), will have a thermal capacity of 30 megawatts. Besides being used to test nuclear fuel elements and reactor structural materials, it will also be used for the production of radioisotopes needed in medicine and industry.

In addition to the reactor, facilities which can be used for research in physics, chemistry and biology as well as for individual training in the field of nuclear technology in the future will also be available.

Since the reactor's facilities will be equipped with various supporting laboratories, the infrastructure for Indonesia's nuclear technology will be firmly in place, said Eng Djali Ahimsa.

PLTN [Nuclear Power Electricity Center]

Eng Djali Ahimsa said that the construction of an all-purpose reactor and its various supporting laboratories will form the basis for the development of our future nuclear industry.

We need the development of this nuclear industry in order to support the construction and the operations of a Nuclear Power Electricity Center (PLTN).

Some time ago, Eng Supardjono, director in chief of the PLN [National Electric Company], stated that the construction of an Indonesian PLTN had to wait for the Serpong all-purpose nuclear reactor to be completed and to be functioning.

Eng Djali Ahimsa stated that the development of a nuclear industry was closely tied to the development of national industrial facilities.

"Without good national industries, our nuclear industry will not develop smoothly," he said.

Eng Djali Ahimsa stated that the use of nuclear technology in Indonesia was developing quite well with the application of isotopes and nuclear radiation to the fields of medicine, hydrology and industry. "When the all-purpose reactor is completed, we can multiply these activities," he said.

President Suharto

Among the supporting laboratories for the all-purpose reactor to be constructed are a Radioisotope Production Laboratory, an office for Research on the Production of Reactor Fuel Elements, an office for Processing Radioactive Byproducts, a Laboratory for Nuclear Electromechanics, an Engineering and Safety Laboratory and a Basic Materials Research Laboratory.

The all-purpose reactor itself will be 30 times bigger than the reactor in Bandung and 120 times more powerful than the "Kartini" reactor in Yogyakarta.

At the same time, Eng Benito Kodijat, chairman of the PUSPIPTEK directorate/leadership, said that construction of the all-purpose reactor is part of a series of PUSPIPTEK developments which will cover 350 hectares.

Eng Benito said that next August President Suharto will dedicate two labs that are already functioning, the Construction Testing Laboratory and the Meteorological Instrument Calibration Laboratory.

9846
CSO: 4213/198

CSIS OFFICIAL VIEWS JAPANESE-INDONESIAN ECONOMIC COOPERATION

Jakarta KOMPAS in Indonesian 6 Mar 84 pp 1, 9

/Article: "Special Japanese Delegation To Arrange Cooperation During PELITA IV; Horizontal Cooperation Is Needed"/

/Excerpts/ Jakarta, KOMPAS--A special Japanese Government delegation, headed by Dr Saburo Okita, the famous economist and former foreign minister, arrived in Jakarta on Monday afternoon /5 March/ and was greeted by Toshio Yamazaki, the Japanese ambassador and his staff. The party left Halim Perdanakusuma Airport immediately without responding to questions.

The 16-member state delegation from Indonesia's biggest donor nation, according to plan, will pay a 5-day visit, leaving on 9 March. The delegation's main goal is to arrange Indonesian-Japanese economic cooperation during Indonesia's PELITA IV /Fourth 5-Year Economic Plan/ which is to begin in April.

According to information provided to newsmen by the Japanese ambassador at the end of February, Indonesia receives more official loans from Japan than any other nation. As of March 1983 loans amounted to 1,034.8 billion yen or about 4.1 trillion rupiahs, as recorded. This represents 12.4 percent of all loans officially granted by Japan. In 1981, for instance, Japanese loans alone accounted for 37.5 percent of all loans received by Indonesia from grantor nations.

Horizontal Cooperation

Meanwhile, Dr Pande Raja Silalahi, chairman of CSIS /Centre for Strategic and International Studies/, reacted to the visit of the Japanese Government delegation, saying in his view it is more important to Indonesia for Japanese investors to translate the Japanese political aspirations into horizontal cooperation. Further, as things are at present, Japan should no longer view Indonesia as just a market for its products but should become a partner, an ally in facing the international market.

Silalahi said the change in the nature of Japanese-Indonesian cooperation from vertical to horizontal cooperation is not merely advantageous for Indonesian national interests but is also advantageous for Japanese interests and to stabilize the shaky joint economic relations. If Japan would view Indonesia

more realistically, it would see that Indonesia is a big nation and now has a level of development that is higher than almost all developing nations. Whether it wants to or not, Japan must change its orientation and the nature of its relations with Indonesia.

In addition, other pressures that force Japan to deal exclusively within a certain economic framework, contribute to the need to change the nature of Japanese-Indonesian relations. Japan has been convinced that these changes are needed, moreover, Silalahi said, Japan began to make these changes quietly since the mid-1970's. However, what is important is how they, the executors, translate what is called horizontal cooperation. "It is not enough for this to be merely politically desirable," Silalahi remarked.

Judged To Be Weak

How shall these changes be used to advantage by Indonesia? The interests of both sides, of course, must be the point of departure for these changes. However, it must be admitted that Japan views the Indonesian bargaining position as weak on certain levels. "However, if earlier we did not dare to look them in the eye and had to bow three times before them, we now are much more advanced," Silalahi added.

Touching on the weakness of the Indonesian bargaining position, Silalahi said this is something we can improve. To do this, Indonesia must assemble capital but must also develop its strategy. For instance, we should not just be deeply moved by the great amount of aid offered by Japan to industry. It is more important for us to ask how that capital will strengthen the Indonesian people's economic resilience. "So, for us to be responsible for our own economic resilience is more important than the amount of aid offered by Japan.

The strength we assemble based on control of our economic and industrial potential actually is the same as what Japan has done in facing the United States. During PELITA IV, Silalahi said, strategic priorities for control must be given to natural resources, the agricultural sector, and the engineering industries. "What remains is to use Japan's strong position with respect to funds and technology, assuming this will be of positive value to both countries," Silalahi said.

Nature of Aid

Regarding foreign aid that almost certainly guarantees dependence on the donor nation, Silalahi said to guard against this, Indonesia must be permitted to review the Japanese market and not only allow Japan to look at the Indonesian market. So, Indonesia's orientation must be reviewed to determine whether there is any potential and whether we are capable of meeting it or whether we need to compete on the Japanese market. If, of course, we really do need the Japanese market even though it is protected, Indonesia might ask: "What must be taken into consideration on balance?"

Touching on Japanese technological aid which often consists of outmoded technology that has been discarded by the Japanese because of its negative impact on their

economy, Silalahi admitted that this has happened. Indonesia, he said, should not be allergic to such aid but also should not readily want to absorb every technology that is brought into the country. Indonesia still has many weaknesses such as lack of fully prepared information on the pros and cons of a technology, lack of intellectuals as well as a lack of capability to think about or make long-range plans. These weaknesses prevent us from being informed on or being able to anticipate possible future developments. "Moreover, technology exported by Japan, in general, is certain to create new requirements in the future," Silalahi said.

Actually, since we know the Japanese culture, there is a rather effective approach to be taken to overcome the acceptance of discarded technology or malevolent operators. The Japanese people, Silalahi said, are embarrassed when their faults are forthrightly presented to them as America has been doing by always lecturing Japan when actually Japan secretly does not want to do as the United States wishes. Indeed, if we approached Japan as the Javanese approach others, by "indirectly touching on someone's faults," we would be better able to admonish Japan in Indonesia. "Japanese often are very sensitive," he added.

Trade

Light should be thrown on another matter during the visit of the Japanese delegation, Silalahi said, and that is trade. Japan, however, must import Indonesian commodities if it really wants horizontal cooperation. This could create a climate similar to that in world trade.

However, Silalahi admitted that much of the fault lies with Indonesia. For instance, the gap in marketing agricultural commodities such as spices, mushrooms, or fruit. Indonesian businessmen often given in quickly when they see the list of Japanese requirements for imported products, such as the hygienic regulations, labelling, or packaging. "Clearly, it is not plausible for us to continue to import noodles from Japan," Dr Pande Raja Silalahi remarked.

6804

CSO: 4213/187

NU RECONCILIATION EFFORTS DISCUSSED

Problem Lies With NU Board

Jakarta PELITA in Indonesian 1 Mar 84 pp 1, 6

Text Jakarta (PELITA)--H haji Imam Sofwan, deputy general chairman of the PBNU Nahdlatul Ulema (Moslem Scholars Party) Executive Board, was not convinced that the conclusions reached at the meeting between the MENAG minister of religion and the MENDAGRI minister of home affairs and four NU venerated scholars kiai and leaders held on 26 February were those expressed by H Anwar Nuris (member of the Situbondo group) to a reporter in the DPR Parliament on Tuesday 28 February.

H Sofwan's doubts were based on the fact that he had met with the MENDAGRI while H Nuddin Lubis, one of the NU chairmen, had met with the MENAG. "I am not convinced that the conclusions reached at the meetings were those noted by Anwar Nuris," he said.

As is known, Anwar Nuris, reading from notes, told a newsman on Tuesday in the DPR that during the meeting between the two ministers and four scholar leaders, reconciliation measures had been formulated, some differences in NU had been reconciled, a congress committee had been formed, and it was decided that KH Honorable Pilgrim Masykur would act as liaison between the kiai's and the government.

Account Rejected

Speaking to reporters on Wednesday 29 February in the DPR, H Imam Sofwan rejected this account of the results of the meeting with the home affairs minister. "I will not comment because it would not be good if this unfinished business created problems for the laymen," Imam Sofwan remarked.

Asked whether he felt some persons wanted to use the results of that meeting for special purposes, Sofwan said he did not say that. "However, in any case, I am afraid some want to create the wrong impression," he said.

Regarding what Anwar Nuris said about the government being prepared to create favorable conditions for reconciliation so that NU can establish a good takeoff framework, he said this has become the policy. "Didn't President Suharto say

this when he opened the GOLKAR MUNAS /functional group's national conference/ recently?" he asked, adding that the right conditions must exist prior to the NU takeoff; they must be different from the present situation. This is a broad problem; the NU question is only a small part of the whole problem, is it not?

He clarified that it is important for a takeoff to have everything in order, that everything be good including national resilience which also includes political resilience.

Reconciliation

When asked his opinion on the best way to establish a reconciliation in the NU body, Sofwan said the resolution of this problem rests with the PBNU. The problem now appears to be the differences that exist in the PBNU body itself.

These differences must be resolved as is indicated here, Imam said, pointing to a sheet of paper containing the concept, "Rujuk Ilal Haq" or return to the truth of the matter.

That concept, Imam said, was brought to his attention by Dr KH Idham Chalid who said it was acceptable. It was also called to his attention by KH Ali Maksum, NU rois aam /general chairman/, in Semarang on 24 January. "Unfortunately the general chairman was not prepared to accept that concept," he remarked.

Sofwan is convinced that all problems will be solved if that concept is accepted by all parties. "Unfortunately only Pak Idham Chalid is willing to accept it," he said.

The concept which will be submitted to the All-Indonesia regional and branch boards of NU is expected to be signed by Rois Aam KH Ali Maksum, Katib Aam K H Chalid Wijaya, PBNU General Chairman KH Idham Chalid, and PBNU Secretary General HM /expansion unknown/ Munasir. The concept reads as follows: "Praise be to God, the PBNU is now fully aware that the differences of opinion that exist among members of the board of directors could result in great complications and conflict in the organization that might endanger the development of NU."

If Rules Are Obeyed, No Internal Crises Will Arise

Amin Iskandar said that Anwar Nurris' statement regarding efforts to restore harmony in the NU body should be received with joy because the statement was made by someone who had often said that KH Idham Chalid no longer could be considered the PBNU general chairman.

The statement again clarified that NU was not one group's or one area's organization but rather was an all-Indonesia Muslim organization in which no one group should dominate others or reign absolute. "If the rules of any organization are obeyed consistently, it is certain that no internal crises will arise that could create obstacles to the country's development," he said.

He said optimistically that in the end a meeting point would be achieved that would make NU members again immune to temptations from outside as well as inside

the organization. The process from here on will present a clear picture to the people as to whether the NU 1926 plan will really be carried out principally as a basis for discussion and deliberation or whether it will only remain an empty slogan to satisfy personal ambitions that circumvent organizational decisions.

Reconciliation Sought

Jakarta TEMPO in Indonesian 10 Mar 84 p 15

/Text/ The NU congress will be held in September or October. Kiai Achmad Siddiq is mentioned as a candidate to replace Idham Chalid as general chairman.

NU reconciliation apparently is not yet at the doorstep. A week after four main NU scholars--As'ad Syamsul Arifin, Masjkur, Ali Maksum and Achmad Siddiq--met with the minister of religion and the home affairs minister, there are no signs of any official rapprochement between the quarreling parties.

What has happened, as usual, is that complaints continue about a statement made although recently the declarations of war have been far more moderate because the Idham Chalid and ulema groups apparently are increasingly aware that the rift in the NU cannot be permitted to go on indefinitely. The government apparently is playing a prominent role in mediating this quarrel. Nevertheless, Religion Minister Munawir Sjadzali, who is playing an important role, is maintaining a low profile. "The government is only supporting a reconciliation. The two groups have actually wanted a reconciliation. This is fully an internal problem for the NU," he said last Monday /5 March/.

The meeting between the four scholars and the two ministers at the home of Home Affairs Minister Supardjo Rustam on 26 February, according to one source, was not at the invitation of the government. "The scholars requested the meeting," said that government source. The same source disagreed with the conjecture that the meeting was proof of government support for the ulemas. "The Idham group has also often held meetings with the government," he said. Idham Chalid, for instance, had met with President Suharto. Minister Munawir also met with Idham at his home. Imam Sofwan and Nuddin Lubis, members of the Chalid group, were appointed as liaison with the government. There were important developments in the 26 February meeting, of course, including the agreement to hold an NU congress in September or October or in the month of Muharam. "The congress will be held after the mass organizations law has been prepared. We do not want to hold a congress before that law is ratified so that we don't have to do the same thing twice because new matters must be taken into consideration," said Kiai Masjkur, the liaison between the ulemas and the government.

The agreement was a blow to the Idham Chalid group which a long time ago announced that a congress would be held in April. Chalid Mawardi, chairman of the congress committee representing the Idham group, admitted that no meeting had been held by the committee he headed since it was formed. But Idham is not persisting that this committee be retained. "If changes are needed in the composition of that committee, yes, please, change it as long as it is in accord with the statutes."

Idham Chalid was rather open to one of the results of the agreement between the government and the four scholars. "The formation of the congress committee is a reflection of the reconciliation that will be realized by all scholars."

It is not clear when or how the new congress will be organized. Some have the idea that organizationally the committee will consist of the PBNU secretariat general under Secretary General Munasir. This appears to be acceptable because both groups are represented in this body.

As usual, long before the congress is to be held, the slander and fighting in the united NU leadership is warming up. One of the issues bruited about is the choice of Kiai As'ad Syamsul Arifin as rois akbar /supreme chairman/, a post which has been held by KH Hasjim Asj'ari, the NU founder. The name of KH Achmad Siddiq is also being mentioned as a candidate for the post of general chairman of the Tanfidziah /executive/ PB.

The candidacy of Kiai As'ad, the most prestigious ulema in the NU, of course, is inevitable. When Kiai Bisri Syansuri died, the NU lost a charismatic leader. Kiai Ali Ma'shum, who was elected as general chairman in the Kaliurang MUNAS in 1981 is considered to be less prestigious. The unending rift in NU is considered proof of Kiai Ali's lack of success as a leader. As a result, ulemas tend to favor Kiai As'ad. It was Kiai As'ad who last year met directly with President Suharto and requested permission to hold the ulema MUNAS. "The government granted permissions to hold the MUNAS because of Kiai As'ad and not because it was advisable. Therefore, it was Kiai As'ad who personally reported the results of the MUNAS to Pak Harto," said the government source.

The problem is that Kiai As'ad, age 86, has been known for a long time to being averse to holding an official position in the NU. Reportedly, the government would like Kiai As'ad to be elected rois aam so that the NU would remain intact.

The government reportedly also wanted to see Kiai Achmad Siddiq put forward as general chairman of the NU Tanfidziah PB to replace Idham Chalid. Idham probably cannot be reinstated as general chairman. Reportedly he told Minister Munawir of his desire to resign although the ulemas have not considered him general chairman since mid-1982. "The problem now is where to put him so that he continues to hold an honorable position," said an official. They say, for instance, that Idham perhaps could be one of the rois or an advisor (mustasyar) to the Syariah /Islamic law/ PB.

At this time Achmad Siddiq is one of the Syariah PB advisors. The name of the head of the Siddiqiyah Religious Boarding School in Jember, East Java, suddenly became well known after the idea of his being chairman was accepted and was taken over as a decision of the NU Ulemas MUNAS last December. In the meeting of the four scholars with the two ministers last month, Achmad Siddiq was also asked by Kiai As'ad to take his seat next to Ministers Supardjo and Munawir to explain the nine basic targets of the Situbondo Ulema MUNAS. Apparently Supardjo and Munawir were impressed by Achmad Siddiq and his ideas. The candidacy of Achmad Siddiq is also supported by several young NU leaders who do not want to see Abdurrahman Wahid elected as NU general chairman. Abdurrahman Wahid, age 43, is the grandson the Hasjim Asj'ari, the NU founder, and is supported by some ulemas who feel Achmad Siddiq--although a strong conceptualizer--would definitely not be suitable as general chairman. Of course, the election will be decided in the congress.

SUHARTO INSTRUCTS PERTAMINA TO IMPROVE MANAGEMENT SYSTEM

Jakarta ANTARA in English 8 Apr 84

[Text] Jakarta, April 8 (ANTARA)--President Soeharto has instructed the state-owned oil enterprise Pertamina to improve its management system and step up efficiency to bear heavier burden in the coming fourth five year plan (Pelita).

"Oil sector is still playing significant role as foreign exchange sources and domestic earner," Minister of Mines and Energy Subroto told the press shortly after President Soeharto received Pertamina's Commissary Council and Board of Directors at the Merdeka Palace here, Saturday.

Subroto said that in 1988/89 Pertamina was expected to pocket a US \$20.3 billion foreign exchange from oil and gas exports of 65.2 percent of the total state's foreign exchange earning which was target at US\$31.1 billion.

In rupiah earning, oil tax at the end of the fourth five year plan is expected to reach Rp 20.6 trillion or 57.8 percent of the total domestic earning which is set at Rp 35.6 trillion.

Subroto said that to achieve an average of five percent economic growth rate in the fourth Pelita around Rp 145 trillion of development fund was needed.

In view of the important role of oil as a source of development fund, President Soeharto called the commissary council members and board of directors of the oil enterprise to meet him, the minister added.

President Soeharto briefed the oilmen to improve management system of the oil company including its exploitation, exploration, processing and distribution of oil and gas.

The President also instructed to form three groups of experts to draw a working pattern to be further applied by Pertamina.

The team will comprise elements of the departments of mining and energy, finance, national and development planning board (Bappenas), the Board for the Assessment and Application of Technology (BPPT) and Pertamina and several consultants.

MILITARY INDUSTRY DEVELOPMENT PROMOTED

Jakarta HARIAN UMUM AB in Indonesian 6 Mar 84 p 1

/Article: "Prof B. J. Habibie is Optimistic About the Rapid Development of HANKAM and Strategic Industries"

/Text/ Jakarta (AB)--Prof B. J. Habibie, minister of state for research and technology, was optimistic about the steady development of strategic and HANKAM /Defense and Security/ industries in the coming 10-year period so that industrialization will be ready to take off as we enter REPELITA IV /Fourth 5-Year Economic Development Plan/.

In offering this information to newsmen on Monday afternoon /5 March/ after he and members of the HANDAM and Strategic Industries Management and Promotion Board were received by Presidnet Suharto at the Bina Graha /executive building/, Habibie as board chairman said he was convinced of this because of the Indonesian people's performance to date in the industrial field. Among other things, within a 8-year period, PT /Limited Liability Company/ Nurtanio has been able to contribute an industry that employs 11,000 persons and has designed and launched large modern aircraft.

He pointed out that it takes time to develop the Indonesian people's capabilities; this cannot be done in a wink of the eye.

Weapons System

Responding to a question from a reporter about the development of HANDAM industries, the minister said such development would concentrate on the production of weapons and weapons systems determined to be needed from a scenario of what sort of war might be waged in Indonesia.

Standards exist for certain weapons systems, he said, but not for an overall system. For instance, there is a "platform" for ships; the same is true for other equipment. "A HANDAM industrial team is thinking about this," he remarked.

The president in his briefing asked that national capabilities be raised in stages in carrying out industrialization, especially for software as proposed in the development and modernization plan.

One of the purposes of this board is to assist in building Indonesian people's capabilities for national industrial development in both the civilian and HANKAM fields.

The mission of the HANKAM and Strategic Industries Management and Promotion Board, formed under KEPPRES /Presidential Decree/ No 59 of 1983 and revamped under KEPPRES No 6 of 1984 dated 21 January 1984, is to promote and manage in an integrated, efficient, and effective way industries which by nature are strategic.

Such industries include PT Krakatau Steel, PT Industri Telekomunikasi Indonesia, PT Nurtanio, PT PAL /Navy Shipyard/ Indonesia, PT Industri Kereta Api /Railway Industry/, PT PINDAD /Army Industry/, DAHANA /expansion unknown/ PERUM /state-owned general corporation/, and other state-owned companies which have been designated as strategic in the KEPPRES.

The board consists of Prof B. J. Habibie, minister of state for research and technology, as chairman, Engr Hartarto, minister of industry, as deputy chairman, and General Poniman, minister of defense and security, Air Marshal Rusmin Nuryadin, minister of communications, A. Tahir, minister of tourism, post and telecommunications, Lieutenant General Sudharmono, minister of state and state secretary, and Gen TNI /Indonesian Army/ L. B. Murdani, army commander, as members.

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CSO: 4213/187

PLANS TO IMPROVE SMALLHOLDER ESTATE PRODUCTION OUTLINED

Jakarta MERDEKA in Indonesian 17 Feb 84 pp 1, 11

[Article: "Smallholder Plantations To Become the Backbone of Efforts to Raise Estate Production"]

[Text] Jakarta, KOMPAS--Efforts to increase plantation production during REPELITA IV [Fourth 5-Year Economic Development Plan] should be directed toward producing foreign exchange as well as increasing the farmers' income and standard of living.

Hasjrul Harahap, vice minister [MENMUD] for increasing perennial crop production affairs (UPPTK), made this point during a working meeting with parliament's Commission IV in Senayan today [17 February].

According to the UPPTK MENMUD, in addition to raising the farmers' standard of living and increasing foreign exchange, these efforts should provide more jobs and maintain natural resources and the environment.

Harahap said smallholder plantations must become the backbone of these efforts and should function to equalize all aspects of the farmers' position, given their history, and provide them with opportunities for development. Large state plantations should support smallholder efforts by providing the technology needed for better cultivation and plantation management as well as the services needed for processing and marketing their crops.

Meanwhile, large private plantations should be developed, the UPPTK MENMUD said, only as facilities who are capable of consolidating the development of farmers' plantation entrepreneurship in a rational way.

The purpose of this policy, Minister Harahap said, is to increase the farmers' annual income of \$1,500 (1.5 million rupiahs) per family by 1990.

Operational Policy

Hasjrul Harahap continued, to achieve this target, the operational policy to be adopted and developed includes increasing production, building up the factors of production, and managing natural resources, the environment as well as energy.

MENMUD Harahap further told the working meeting, headed by MS Situmorang, vice chairman of Commission IV and member of the ABRI [Indonesian Armed Forces] Faction, that efforts will be made to stabilize these establishments, improve crop processing and marketing as well as develop regions that are linked to other sectors of development.

Regarding the marketing field, the minister explained that preharvest work will not offer any significant benefits unless post-harvest work is taken into consideration at the same time. The processing of smallholder estate crops must be coordinated with other aspects to insure a good harvest by improving the quality of the crop and reducing the crop planted and increasing the yield.

Further, commodities produced must meet the demands of the market place and must be able to satisfy the consumer. Also, the value added must be increased by raising the quality of diverse processed products as well as by making use of by-products and waste products.

The minister said certain conditions should be established to favor the farmer as the producer to improve marketing and to protect domestic products, create funds to prop up the farmer and develop effective KUD [village unit cooperatives].

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CSO: 4213/176

TECHNICAL COOPERATION AGREEMENT WITH FRG SIGNED

Jakarta ANTARA in English 10 Apr 84

[Text] Jakarta, April 10 (ANTARA)--Indonesia and West Germany have signed a basic technical cooperation agreement to replace a similar agreement between the two countries signed in 1971, which is considered no longer meeting the present development.

Director General for Foreign Economic Relations Atmono Suryo and West German Ambassador to Indonesia Dr Helmut Matthias, on behalf of the Indonesian and West German Governments respectively, signed the document of the cooperation agreement here Monday.

The text of the cooperation agreement also mentions the forms of assistance to be given by West Germany to Indonesia, including equipment for training centres as well as assistants and research activities to be conducted in Indonesia.

Indonesia will provide land, buildings and various facilities, such as the exemption of export-import tax and other official levies such as the cost of storage in warehouses. West Germany will send equipment and experts required in Indonesia.

To smoothen the realisation of the agreement, an organizing committee will be established to manage the realisation of other programs covered in the agreement.

The agreement is effective for five years and can be extended for a period of a year if considered necessary.

Atmono Suryo expressed the hope on the occasion that the technical cooperation agreement just signed would become a basis for the development bilateral cooperation between Indonesia and West Germany in the future.

Ambassador Helmut Matthias stated the hope meanwhile that the signing the cooperation agreement would strengthen relations between the two countries, especially for the mutual interest of the two countries in economic and social development. There are 39 projects in Indonesia handled under bilateral technical cooperation with West Germany at present, according to the ambassador.

CSO: 4200/708

NAVY ORDERS HELICOPTERS FROM PT NURTANIO

Jakarta HARIAN UMUM AB in Indonesian 1 Mar 84 pp 1, 3

/Article: "TNI-AL Orders Four Helicopters From PT Nurtanio"/

/Text/ Jakarta (AB)--More cooperation was recommended between the HANKAM /Defense and Security/ Department and PT Nurtanio, and especially between the TNI-AL /Indonesian Navy/ and the Bandung aircraft company, after a contract to manufacture and supply the navy with four helicopters was signed by the latter two parties.

This recommendation was made by Prof Dr Engr B. J. Habibie, executive director of PT NURTANIO, on Wednesday afternoon /29 February/ at the TNI-AL headquarters in Jakarta after the signing ceremony for the contract to furnish the four helicopters ordered by the TNI-AL.

Lt Gen LAKSDYA) TNI /Indonesian Army/ M. Romly, TNI-AL chief of staff (KASAL), signed this document for the navy.

Construction of the four Super Puma and Super Puma Plus NAS-332 helicopters will be completed in July or August 1984 and July or August 1985, respectively. The helicopters will cost \$34.5 million (34.5 billion rupiahs).

According to Prof Habibie, Nurtanio and the HANKAM Department, in particular the TNI-AL, have cooperated a number of times, among others, in December 1983 when HANKAM ordered 16 Casa-212's, four of which were allocated to the navy.

He noted that the navy had confidence in Nurtanio's ability to manufacture aircraft, which also means that Nurtanio is playing a role in building up the state's defense forces. "Nurtanio finds it easy to manufacture and sell aircraft, but it is more important to maintain them," Habibie said. It is expected that the TNI-AL will be able to maintain the aircraft it has purchased with the cooperation of PT Nurtanio, he added.

Economizing on Foreign Exchange

In his greeting LAKSDYA Romly said cooperation between the TNI-AL and PT Nurtanio is a step forward and is very significant because it is way of economizing on foreign exchange which is important for further national development.

In addition to saving no small amount of foreign exchange, the KASAL said signing of the contract to manufacture the helicopters proves that Indonesian experts are capable of meeting ABRI /Indonesian Armed Forces/ requirements for major modern equipment.

He also pointed out that the Super Puma helicopters would strengthen the capabilities of the Indonesian fleet to accomplish its future missions.

Finally, the KASAL expected Indonesian experts would be able to gain new experience with the cooperation with TNI-AL and PT Nurtanio. This would allow the Indonesian people to be released from their dependence on overseas suppliers, especially for the manufacture of ABRI equipment.

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CSO: 4213/185

RUDINI CALLS IRIAN JAYA SECURITY SITUATION STABLE

Jakarta ANTARA in English 2 Apr 84

[Text] Jakarta, April 2 (ANTARA)--Army Chief of Staff General Rudini said in Jakarta Monday that the security situation in Irian Jaya, particularly the Jayapura regency, was stable.

On reports that a number of Armed Forces personnel had carried out "disturbances," investigations had shown that these actions had not been politically motivated, the army chief of staff said.

Gen. Rudini was speaking in a press conference after making a working visit to Irian Jaya from March 12 to 15.

He explained that the soldiers had been dissatisfied because of lack of awareness on their own part concerning prevailing army regulations such as regarding promotions. For instance, they did not know that to be promoted to noncommissioned officers rank, they had to fulfill certain conditions.

Because of this ignorance, they were frustrated and acted emotionally, he said.

In the press conference, Gen. Rudini was accompanied by among others the commander of the Cenderawasih/Irian Jaya Military Region, Brigadier General Raja Kami Sembiring Meliala.

Of the frustrated soldiers, several had acted to desert their units, Gen. Rudini said. However, they had now returned to their units after they had realized that they had acted wrongly.

The commander of the soldiers did not punish them unfairly because the motive of their actions was taken into consideration and the motive was nothing more than lack of understanding and knowledge on their own part.

Progress

Gen. Rudini, after touring Irian Jaya for four days, concluded that development activities had been progressing well in Irian Jaya.

The army's program of helping rural development had also made a contribution to this progress in enhancing the people's welfare, he said.

He denied strongly that the army would become hostile toward the people in Irian Jaya as some people were saying.

"The facts show that the province of Irian Jaya is at present very active in developing itself in all fields (with the assistance of the army)," he said.

CSO: 4200/706

INTENSIFIED DEVELOPMENT OF COOPERATIVES CALLED FOR

Jakarta ANTARA in English 3 Apr 84

[Text] Jakarta, April 3 (ANTARA)--President Soeharto has instructed the minister of cooperatives to intensify the development of KUD (village unit cooperatives) in Pelita IV (fourth five-year development plan).

Through the Presidential Instruction No 4/1984 issued on March 27, 1984, the Head of Government has stated that KUD should become an economic organisation beneficial to areas all over the country.

The President has instructed the minister of cooperatives to promote the spirit to develop cooperatives among the people in rural areas. He also instructed the minister of internal affairs to give directives to all provincial governors and regents to pave the way for the development of cooperatives in their respective areas.

The instruction given to the provincial governors and regents also include the setting up of KUD Development Boards in their respective areas.

The same instruction for the development of KUDS has also been given by the Head of State to the ministers of agriculture, trade, finance, transmigration, public works, industry, mines & energy, education & culture, communications and information, as well as the governor of Bank Indonesia and the head of Bulog (logistic board).

Under the coordination of the coordinator minister of ekuin (economic, financial & industrial affairs) and development supervision, those ministers have been instructed to support the development of KUDS.

With the issuance of the Presidential Instruction No. 4/1984, the Presidential Instruction No. 2/1978 concerning the development of village unit corporations (BUUD) and village unit cooperatives (KUD) have been revoked.

CSO: 4200/706

ECONOMIC GROWTH RATE IN 1984 ESTIMATED AT 3.5-5 PERCENT

Jakarta BUSINESS NEWS in English 6 Apr 84 p 2

[Editorial: "The Growth Estimate for 1984"]

[Text]

In this first month of Pelita IV it is fairly proper for us to turn our attention to the possible economic growth rate. The usual method of estimating the prospective growth is by examining growth estimates for economic sectors, and then the average national growth rate is calculated based on the sectoral share against GDP by using the sectoral growth figures. The same is true of the method for inflation, in which not all commodities have the same weight. The value of rice is bigger than that of merchandise. So if a 15% increase is registered for merchandise, it does not push inflation to the same level (viz. for January and February the cumulative inflation rate is 5%).

In calculating the growth estimate, however, the sectoral weight has a more exact average and cannot be changed subjectively or based on the situation. Hence if the sector of agriculture has a share of 29% of the GDP, the average weight is 29% of the whole national growth rate. Therefore, supposing the growth of agriculture is 3%, it does not mean that the national growth rate is 3%, but it may be higher. What we should not forget is also that the share of agriculture declines each year so that at the end of Pelita IV (1988/89) it is expected to remain only about 24% of the GDP. Naturally at that time the weight of agriculture in the national growth becomes even more reduced and that of the other sectors continues to rise, in line with the transition of the GDP share between economic sectors.

How about the growth estimate for 1984 ? Some put it at 5%, others at 3%, and still others

put it within the range of 3 – 5%. The important aspect here involves methods of calculation and assessment of the sectoral growth prospect. So far there has been no such tradition as in the US where different estimates made by various institutes of research and studies are debated in mass media. But in the end reality will decide which of the predictions approximates the actual growth level. As a rule, the more the estimates are close to reality, the higher the credibility of the institutes concerned. From the estimates thus far made in Indonesia, it seems that they are produced without econometric models which calculate sectoral assessments. Hence unlike in the US, West Europe, the Soviet Union and Japan, the predictions constitute a translation of qualitative assessments that are quantified without going through any strong quantitative method. Possibly BAPPENAS has the econometric models and forecasts for 1984, but the public cannot as yet enjoy them.

However, once again, what will the estimate be for 1984? In general, estimates that form the basis of the projection of 5% or less are:

1. The sector of agriculture will grow slightly, possibly by 3% or 4%.
2. The sector of mining and quarrying will grow at a more or less the same rate, or very slightly.
3. The sector of industry will increase in its growth. A high rate is estimated here (above 8%), or less than this level.

The slow growth in agriculture and mining is apparently debated by only a few. Unlike in the industrial sector where the range between high and low projections is fairly wide.

Observers who project a high growth rate for industry argue that this sector already hit the bottom in 1982 and 1983 (at 2 – 3% and 1 – 3%). Therefore industry will have to increase in growth this year. Those who are more pessimistic refer to the low imports in 1983, even smaller than the 1982 import value (provisionally put at around US\$ 16.5 – 17 billion). As a result, Indonesia's import substitution industry (using a lot of capital goods and basic materials from imports), at least for the first half of 1984, will grow slowly.

What is overlooked in the debate is that the weight or share of the three sectors only reaches around 54 – 55% of the national income calcu-

lation. Agriculture about 29%, mining/quarrying 9 — 10%, and manufacturing around 16%. All of them are based on the constant price of 1973.

The growth of the wholesale and retail sector, around 17 — 18% of the GDP, should be taken into account. The presence of the value added tax and the sales tax on luxuries can be expected to produce an impact that is not so favourable.

And what is our own prediction ? For the sake of "safety", how about a growth rate of around 3.5 — 5% ? With the note that it may be closer to 3.5% than 5%. For what reason ? There is as yet no strict quantitative method so that we are not free from subjective assessment either. If significant changes do take place in the simplification of rules and eradication of corruption which improve the business climate, we are also inclined to say that 5% is not impossible.

CSO: 4200/704

SEVENTEEN TYPES OF TRADE LICENSES ESTABLISHED

Jakarta BUSINESS NEWS in English 6 Apr 84 p 3

[Text]

The government has decided to revoke stipulations on the obligations to obtain 17 kinds of trade licences so as to smooth en trade activities in the country, Minister of Trade Rachmat Saleh told the press after he attended a cabinet session on economic, financial and industrial affairs (Ekuin) at Bina Graha here Wednesday.

The step, which is taken based on the decree of the trade minister issued on April 4, 1984, will be followed by the revocation of licensing regulations related to the implementation of just withdrawn stipulations as the 17 licences that are no longer required include several basic licences, the minister explained.

The government has decided to simplify licensing procedures and to maintain the issuance of certain licences considered necessary, according to Rachmat Saleh. One of the 17 licenses that are no longer required is the approval to operate as interinsular traders, namely the interinsular trading licence, he said.

The obligation to obtain trade licences will be maintain and each businessmen operating in the trade world are obliged to obtain trade licences (SIUP) which are always valid without requiring renewal in certain period. SIUP already issued can be revoked if the businessmen concerned violate the existing regulations. But they can regain the withdrawn licences if

they can prove their good faith, the minister said.

The government will also maintain the Exporter Identification Code in view of the existing linkage between exports and transactions made with other countries. Exports must be done by capable businessmen who can show and maintain their reputation as well as credibility.

The simplification of certain licensing procedures is at present being explored together with the minister of the efficient use of government apparatuses, Rachmat Saleh disclosed.

BALANCE OF TRADE: The trade minister also disclosed on the occasion that Indonesia's exports and imports stood at US\$ 21.146 billion and US\$ 16.351 billion respectively in 1983, a surplus of US\$ 4.794 billion. The surplus reached in 1983 showed a decline of around 12.3 percent compared with US\$ 5.469 billion in 1982, he pointed out.

Indonesia's non-oil/non-gas exports went up by about 27.5 percent from US\$ 3.929 billion in 1982 to US\$ 5.055 billion last year. The volume of exports in the same period rose by 18 percent. Thus the increase of non-oil/non-gas export value results from the increase of export volume, instead of price hike in the world market, Rachmat Saleh explained.

The increase in non-oil/non-gas exports is mainly due to the rise in the exports of industrial products by 31.4% in value and 30.7% in volume, the minister continued.

INFLATION RATE : Information Minister Harmoko disclosed meanwhile that the inflation rate reached 12.63% in fiscal 1983/84. The inflation rate was 0.22 percent in March 1988 and 5.30 percent in the first quarter of this year. The value of money supply, according to

Harmoko, stood at Rp 7.685 trillion.

The production of cement in the country in May this year is projected at 881,500 tons, of which 826,500 tons will be provided for domestic supply and 35,000 tons for exports, he said.

The stock of salt on March 15, 1984 was 1,324,000 tons, comprising 201,744 tons from Perum Garam (salt public corporation), 933,162 tons in national stock and 189,000 tons from private companies, Harmoko added.

CSO: 4200/704

WEST KALIMANTAN ECONOMIC GROWTH INCREASES 5.7 PERCENT

Jakarta ANTARA in English 2 Apr 84

[Text] Pontianak, April 2 (NATARA)--West Kalimantan's economic growth recorded during Pelita III (third five-year plan, 1979-1984) an average 5.7 percent annual increase.

The people's income in this province increased from Rp. 170.2 million at the start of Pelita III to Rp. 627.4 million at Pelita III's end, showing a per capita income increase from Rp. 77,300 to Rp. 234,400.

These figures were mentioned by West Kalimantan Governor Soedjiman in his radio speech through the Pontianak station of the Indonesian RRI radio broadcast system Saturday evening to mark the start of Pelita IV (1984-1989).

The governor further told his listeners that in broad lines the results achieved in various sectors of development were satisfactory indeed, among others in the agricultural sector, in particular in food crop production, one of three main target of the provincial priority program, which showed an increase in the rice production, although this production could still not fully meet the provincial requirement for rice.

Also encouraging in the agricultural sector was the development of the big plantations through the PIR (previously known as nucleus estate smallholders) scheme mainly for oil-palm and rubber.

The governor also expressed his satisfaction that the first palm-oil factory in West Kalimantan would soon be operational, to be commissioned by the President in the very near future.

In the communication sector as the second main target of the provincial priority program in Pelita III, the results were also very satisfactory, although 29 districts were still isolated and several regency principal towns were still not directly connected through the existing highways with the provincial capital.

In the field of education, some 524 elementary schools had been built, accommodating about 94 percent of elementary school age children.

The number of already existing public and vocational junior secondary school, was increased by 89 new units, built by private organizations and the government, while 39 additional units of public and vocational senior secondary schools were built.

In the field of health, medical facilities and personnel had been increased. The development in this field recorded the construction of 14 hospitals, 163 public health centres, the operation of 50 mobile public health centres (19 water/river mobile units and 31 land units) and 378 auxiliary public health centres, while the medic personnel recorded 196 physicians, 338 paramedics and 201 midwives.

The third priority main target, viz. rural development, also recorded satisfactory results through the so-called "sutura operation" (fertile/prosperous operation), supported by the Armed Forces civic mission.

CSO: 4200/706

PRIVATE SECTOR, COOPERATIVES PLANNED TO DEVELOP INDUSTRY

Jakarta KOMPAS in Indonesian 1 Mar 84 p 2

/Article: "Industrial Development to be Entrusted to Private Sector and Cooperatives"/

/Excerpts/ Jakarta, KOMPAS--During PELITA IV /Fourth 5-Year Economic Development Plan/, almost all industrial development will be entrusted to the private sector and cooperatives. Strategic sectors such as fertilizer production will continue to be managed by the government.

"The private sector and cooperatives will play a dominant role in developing national industries," said Hartarto, minister of industry, when presenting a briefing at the opening of the discussion meeting held in Jakarta on Wednesday /29 February/ morning between first and second echelon officials of the Industry Department and Indonesian KADIN /Chamber of Commerce and Industry/ officials. The meeting was headed by the general chairman, Sukamdani S. Gitosardjono.

The 1-day meeting was held, among other reasons, to improve understanding and cooperation to spur the private sector into playing a role in national industrial development.

The industry minister said the increased use of domestic products, including their production and investment in such production as well as the nonoil export program must be pursued relentlessly. To achieve these goals, close cooperation between the government and the business world definitely is needed.

In addition to closer cooperation, concrete steps also must be taken, for instance, to raise production and efficiency and a commodity approach must be used to coordinate industrial activities with those of other economic sectors. This should be done selectively in the context of strengthening the national economic structure.

Satisfactory results will not be achieved with only a sectoral commodity approach because of broadscale complex problems. Coordination between departments will be better assured with a selective approach, and more concrete solutions will be found for the various problems that will be encountered beginning with production arrangements to domestic and export marketing as well as technology and industrial development.

According to Hartarto, the Industry Department will be reorganized soon within this context to be better able to promote a commodity or groups of similar commodities. "As we enter PELITA IV, we do not yet know which industrial commodities will be exported. We expect to have this information by the 4th and final year of PELITA IV," Hartarto added.

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CSO: 4213/185

EDITORIAL REVIEWS 1984/85 STATE BUDGET

Jakarta BUSINESS NEWS in English 4 Apr 84 pp 3, 4

[Editorial: "Several Notes Concerning the State Budget for 1984/1985"]

[Text]

The draft state budget for 1984/85 becomes the state budget (APBN) for 1984/85 this April. As one may forget its contents and significance, it is worthy of a brief recall.

The state budget of Indonesia has always been of great significance, because the government sector still constitutes the biggest economic unit. The level of expenditures/revenues is Rp 20.5 trillion, about 20% of the country's GDP. Against the GDP of the modern sector, the figure is most likely to approximate 50%. Under the domestic market situation still in the grip of a weak purchasing power, the state budget is greatly expected to inject the purchasing power in society. Will APBN 1984/85 considerably affect the domestic trade cycle?

This year's expenditures will be 24.4 percent higher than APBN 1983/84, but with the devaluation and price hike, the realisation of APBN 1983/84 becomes bigger. Some economic observers have estimated that the actual increase will not exceed 8%. If this is true, then the rise is only small, most probably smaller than the rate of inflation. It means that in real terms the level of APBN 1984/85 will slightly go down. Is there still any hope for revenues to exceed the budget target, so that expenditures can also be increased? The hope is in fact very slim.

Firstly, the prospect of oil prices and exports is not so bright, so that the best estimates are unchanged prices and a slight export increase, especially owing to LNG exports. This is already taken into account. Secondly, the effect of the new tax system has not much been apparent yet.

Though the APBN of this fiscal year practically does not increase, its selective effects remain fairly great. Particularly on the weak economic group, because the policy of equity is still considered highly important. We can say that if the APBN in a year fails to support growth, priority must be given to equity.

Routine expenses will rise considerably, viz. by 38.8%. But they will mostly comprise the (rupiah) increase in foreign debt instalments, and also civil servants' salary rise. The increase in goods purchases is very slight. Development expenditures rise by 12.6%, which in real terms is not big. Even more so, a 7.1% drop is registered in rupiah financing, while in foreign exchange payment there is a big increase, almost 60%. It means that priority will go to (big) projects with external financing. The major increase should also be viewed in connection with the change in the rupiah exchange rate.

So as a whole APBN 1984/85 will not much help support economic growth in 1984/85, and therefore the government, through its budget policy, should give priority to equity goals.

However, will the growth of GDP for 1984/85 (or 1984) be unfavourable? This will not be the case. Economic growth can be expected to improve, compared with the recession years of 1982 and 1983. The GDP growth for 1982 is around 2%, and for 1983 it is estimated at about 3%. For 1984 a better estimate can be made, viz. hopefully around 5%. This growth is not caused by government services/investments, but by fairly good growth in three main sectors, namely, first, agriculture, because the weather and rainfall are far more favour-

able than those two years ago; second, the level of crude oil and (especially) LNG exports will get relatively normal again; third, the sector of industry. LNG export increase will be quite high, because the train that last year was damaged has now been repaired, and new trains are available. Industry is expected to show a fair degree of growth after the disaster suffered in 1982 and 1983. But in order to improve this industrial growth, part of its products must be exported, in the subsectors of textile/garments, light industry, and base chemical industry (the ASEAN fertilizer plant is operational). Of course the 5% GDP growth is not so good. If the economy is already recession-free, its growth figure usually goes up considerably. Hence the 5% GDP growth for 1984 does not imply that the Indonesian economy is completely sound, but we can say that the economy is gradually recuperating. The world economic recovery can be expected to proceed normally, particularly in the US and Japan, and this trade cycle is also expected to further help increase our non-oil/gas exports. The news that in 1983 the value of non-oil/gas exports reached US\$5 billion is gratifying and giving another boost to the export drive.

What about the estimate on the financial-monetary condition in the course of 1984/85? Domestic inflation will be higher than the ideal and normal level for Repelita IV. In the Repelita IV scheme the inflation rate is projected at an average of 8% per annum, possibly higher for the first years, and it has got to go down later on. The rather high inflation in 1984 is caused by the adjustment of prices of fuel oil and other energy sources. On the other hand, international inflation has considerably declined. Therefore the domestic inflation in 1984 can be curbed within the rate of 10% per annum, if the government is prepared to do so. This is

important to safeguard the average inflation rate during the fourth five-year plan. But here is the consequence: the monetary and credit policy must be tight, and the doctrine of a balanced budget be consistently adhered to.

The tight monetary and credit policy in itself will not help the economic life of the private sector.

The dilemma to be faced by the government in 1984/85 involves the choice between stimulating Indonesia's economic recovery through budget expenditures and credits, with the risk of inflation, and another risk considered even greater: the shortage of foreign exchange for imports that can endanger rupiah exchange rate stability, or preserving monetary balance and stability and the balance of payments towards laying down stronger foundations for further developments.

CSO: 4200/703

TRANSMIGRATION, MANPOWER MINISTERS SIGN JOINT DECREE ON IMMIGRATION

Jakarta ANTARA in English 10 Apr 84

[Text] Jakarta, April 10 (ANTARA)--Transmigration Minister Martono and Manpower Minister Sudomo here Monday signed a joint decree dealing with the integrated manpower and transmigration program in the fourth Pelita development period.

Made up of five chapters comprising nine articles, the joint decree among other things stipulates that the transmigration and manpower development program should be carried out in a labour-intensive way.

Minister Sudomo made the statement moments after the signing of the joint decree that there were three patterns to be carried out in the labour-intensive transmigration program.

Firstly, the transmigrants should be recruited earlier for opening up the new areas together with the contractors.

Secondly, transmigrants who have already been established in certain areas should help open new resettlement centre.

Thirdly, local residents should be mobilized to help open the new transmigration centres.

The two Ministers also agreed to form a task force in dealing with the implementation of the joint decree.

According to Minister Sudomo, in the Pelita IV period there will be about 500,000 jobseekers be absorbed through the two Ministers' joint working program.

2nd Stage Program

Meanwhile, Transmigration Minister Martono said his Ministry would shortly open up the second stage transmigration program which he said would absorb a great number of people. This, he said, is aimed at helping increase the income of the transmigrants who had been resettlers for over five years.

Some European countries and the United States have expressed readiness to assist the second stage transmigration program, such as by erecting factories processing agricultural products, Minister Martono said.

INDONESIA

SAUDI AMBASSADOR CALLS FOR DIRECT TRADE RELATIONS

Jakarta ANTARA in English 2 Apr 84

[Text] Jakarta, April 2 (ANTARA)--Saudi Arabian Ambassador to Indonesia Sheikh Mohammed Said Basrawi has said that the trade relations between Indonesia and Saudi Arabia should be conducted directly and not via a certain third party.

In a statement to ANTARA here Monday Ambassador Basrawi said both countries would gain much benefits from the bilateral trade relations.

There will be benefits obtained from the direct relations.

Among the benefits is that the Indonesian exports commodities will quickly arrive at the Middle East countries without having to make stopovers at third countries.

Ambassador Basrawi pointed out however that the Indonesian exporters had already been determined to maintain direct trade relations with Saudi Arabia and other Middle East countries.

The determined intention of the Governments of Saudi Arabia and Indonesia for increasing the bilateral economic and trade relations can be seen through the two countries' bilateral economic and trade cooperation agreement signed in Riyadh in 1981.

As follow up of the cooperation agreement the two countries have twice held meetings in Jakarta and Jedda recently, Ambassador Basrawi said.

The Indonesian trade volumes to Saudi Arabia have increased from year to year.

Among the Indonesian export commodities cover garments and coffee.

Ambassador Basrawi said that the recent visit to Saudi Arabia by Indonesian Trade Minister Rachmat Saleh and 45 Indonesian exporters was of great benefit to the two countries' trade relations.

CSO: 4200/706

PANCASILA GUARANTEES CHARACTERISTICS OF MUSLIM ORGANIZATIONS

Jakarta ANTARA in English 5 Apr 84

[Text] Jakarta, April 5 (ANTARA)--General chairman of the Moslem Persatuan Pembangunan (United Development) Party H.J. Naro has said acceptance of Pancasila state ideology and philosophy as the sole sources in the country's socio political life, does not imply that the specific characteristics of Islamic mass organisations will be eliminated.

"The identity or specific characteristics of Islamic mass organisations may be reflected in their action programs" Naro told delegations of the Central Executive Boards of the Al Washliyah and Al Ittihadiyah Islamic organisations Wednesday.

The executive board members of the Al Washliyah were Ali Imran Kadir (chairman), Muchlia Arsyad, Sabullah Siregar and Ali Saat. The Al Ittihadiyah leaders were Yunus Karim (chairman), Helmi Al Shahab, Harun Amin and Arifin Isa.

Both Islamic organisation have declared their acceptance of the Pancasila as sole principles on the basis of Congress (MPR) Decision in 1983 since the identity of their organisation which active in the propagation of Islam remain untouched.

Naro on the occasion pointed out that Islamic mass organisations should accept the said principles with full awareness that only the Pancasila could guarantee national unity. Under the protection of the Pancasila principles Islamic aspirations are expected to bloom in the spirit of national unity.

Pancasila was not designed to curb religious life. On the contrary, the Pancasila will guarantee that religious life will flourish as repeatedly pointed out by the head of state, Naro added.

The PPP general chairman, who is also vice chairman of the DPA--Supreme Advisory Council, said that the Pancasila is the only state ideology in the world which allow religious life to be pursued in freedom by all citizens.

CSO: 4200/706

PANEL DISCUSSION STRESSES USE OF DOMESTIC GOODS, SERVICES

National Entrepreneurs

Jakarta HARIAN UMUM AB in Indonesian 17 Feb 84 pp 1, 8

[Text] Jakarta (AB)--Prof Dr Sumarlin, minister of state for development planning and BAPPENAS [National Development Planning Board] chairman, said many national entrepreneurs are reluctant to use domestic goods and services and seem to prefer foreign goods and services.

In a briefing to a Voice of Business Panel Discussion on "The Role of the Business World in PELITA IV [Fourth 5-Year Economic Development Plan]" held in Jakarta on Wednesday [15 February], Sumarlin cited as an example the construction of high-rises on Sudirman Street in Jakarta, most of which were built by foreign contractors.

"This is not consistent with a mission of our national business world, which is to encourage the use of domestic goods and services," Sumarlin told some 260 national entrepreneurs attending the 2-day panel discussion.

The workmanship and quality of many of our domestic products and services now, he said, are equal to those of foreign products and services. "National entrepreneurs must take the lead in making a success of marketing domestically-produced goods and domestic services," he said.

Sumarlin briefly outlined other missions for which national entrepreneurs should be responsible to assist in carrying out national development programs, particularly in the private sector.

"Private businessmen," he said, "should help the economically weak class increase its capabilities so that it can also play a role in national development. In addition, small, medium-sized and big entrepreneurs must understand each other's problems and cooperate in mutually supportive and complementary ways," he said.

According to Sumarlin, in addition to being concerned about increasing their incomes and profits so that companies can stay in business, the business world must be able to maintain an equilibrium in the search for profits and in relations with employees to be able to improve the workers' welfare.

"It is important to cultivate in the workers a 'sense of belonging' to the company," he added.

The minister/BAPPENAS chairman also stated that the business world's mission to create new fields of employment was no less important. "During PELITA IV, it is estimated that 9.3 million persons will be added to the labor force," he disclosed.

In the manpower sector, Sumarlin said, the business world must assist in developing workers' skills and expertise by providing education or special training in various fields of endeavor.

Maintain a Good Image

In his briefing, Sumarlin urged entrepreneurs also to maintain a good image and not indulge in any activities that could destroy that image.

"Present the image of a good entrepreneur, who honorably pays his taxes or who is able to create new fields of employment," he said, "and avoid any criminal activity."

Sumarlin also urged the private business world to take the lead in various development fields. "Such pioneering efforts could contribute to the development of transmigration regions, for instance," he said.

"Private entrepreneurs must also be able to adapt themselves to the spheres in which they operate and assist in developing the dynamics of the people in those spheres," he added. The success of development greatly depends on the participation of the people, and the business world plays a role here, he said.

Finally, Sumarlin invited those in the business world to support the government's economic program during PELITA IV, namely, to promote nonoil commodity exports.

Government Imports

Jakarta MERDEKA in Indonesian 17 Feb 84 p 1

[Text] Jakarta, Wednesday [15 February]--About 60 percent of government items, including BUMN [State-owned Business Agency] items, contracts for which are valued at more than 500 million rupiahs, must still be imported, Engr Drs Ginanjar Kartasasmita, vice minister for increasing the use of domestic products affairs, said on Wednesday in Jakarta.

In his briefing to the Voice of Business Panel Discussion on the role of the business world during REPELITA IV, Kartasasmita continued, saying broad opportunities exist to develop the government market although the fact is the domestic market is not always widely used. Kartasasmita illustrated his point with the supplies purchased for the KEPPRES [presidential decree] X Team in 1983. Of the total supplies costing 4.55 trillion rupiahs, 2.95 trillion

rupiahs worth of goods or some 64.75 percent were imported and the remaining 1.60 trillion rupiahs, or 35.25 percent, were spent on domestically-produced goods.

"If we look at this more closely, breaking government purchases down into goods and services, the ratio for total purchases of goods to services is 45:55. The percentage for goods imported then becomes even greater, 81.3 percent," he said. Most of the goods imported, he said are capital goods which comprises 25.52 percent of the total goods supplied, or 71.84 percent of the total value of all goods purchased.

What's more, goods needed for government stocks as well as services that are financed through the state budget (funds which are principally derived from government savings, for instance, rupiahs committed through the DIP [project schedule]), should no longer be purchased overseas if these same items and services are available locally. This should be the case at least for contracts valued at over 500 million rupiahs, Kartasasmita declared.

6804

CSO: 4213/176

NEED FOR COORDINATION IN CREATING WET-RICE FIELDS

Jakarta KOMPAS in Indonesian 21 Mar 84 pp 1, 12

[Text] President Suharto has asked for even better coordination in creating wet-rice fields. In this way, more wet-rice fields will be created, and so rice production can be increased.

This presidential request was conveyed to Eng Wardoyo, junior minister for food production, who reported to the Bina Graha [President's Office] yesterday.

According to Wardoyo, there has not been as much progress in the creation of wet-rice fields as we would like. The expected REPELITA [5-Year Development Plan] III target of 350,000 hectares had only reached 146,498 hectares as of last January. As of the end of REPELITA III (the end of March 1984) we can only count on reaching 200,000 hectares, 150,000 hectares short of the goal.

This delay has been caused by a lack of coordination among those carrying out the project. Sometimes a wet-rice area has been created, but the tertiary canals do not exist yet. According to KOMPAS, there have been other complaints that the tertiary canals exist, but that they are not functioning because there is no area to irrigate.

In addition, the farmers must be given greater impetus to want to create the fields. Often the irrigation exists but the farmers are reluctant to create wet-rice fields because there are easier ways to make money.

Tricked by Middlemen

According to Wardoyo, included in the 146,498 hectares created so far under REPELITA III are 17,737 hectares in North Sumatra, 11,412 hectares in Lampung, 10,619 hectares in South Kalimantan, 14,220 hectares in North Sulawesi, 15,331 hectares in West Java and 5,756 hectares in East Java.

Of the newly-created 146,498 hectares, 79,016 hectares have used BRI [Indonesian Peoples Bank] credits and 67,482 hectares have not. In this regard, President Suharto advised that if the farmers prefer to create wet-rice fields without credits, we should continue to promote this. In other words, the INMAS (Mass Intensification) program should be increased even more.

However, according to Wardoyo, the question is: has the INMAS program gotten bigger

because farmers are better off and no longer need the credits, or is it that they are already in arrears and are not allowed to request any further credit?

He said that some farmers, especially those who till the soil, need credits in the rainy season, but they cannot be serviced by the BRI because they are still in arrears. Therefore, some borrow from the KUD [Village Cooperative Unit], from private sources, from a farm group or elsewhere. Those who borrow from private sources are often tricked by middlemen. The loans have to be repaid in cash at a high interest rate or with a large amount of dry unhulled rice.

In this connection, President Suharto hopes that the KUD can play a bigger role in helping its members. If it cannot do so by itself, it should cooperate with existing farm groups.

Government Budget

Junior Minister Wardoyo said that he would discuss with the minister of finance the possibility of changing the present system of funding wet-rice creation through credit packages to a system in which funds are made available from the government budget.

According to Wardoyo, the remaining 150,000 hectares will be included in REPELITA IV. He said that the REPELITA IV target itself would be 350,000 hectares. "Therefore, we need better preparations for the synchronization of irrigation, agrarian activities and so forth," he added.

9846

CSO: 4213/198

MASS ORGANIZATION LAW, RELIGION

Jakarta SUARA KARYA in Indonesian 21 Mar 84 p 1

[Text] H. Munawir Sjadzali, MA, minister of religion, affirmed that the mass organization law guarantees that religion will not be replaced and that the government has never thought of replacing religion with PANCASILA [Five Principles of the Nation].

PANCASILA as the sole principle is intended to be a national, state and social principle, he said, in his briefing to 495 participants at a Joint Working Meeting of the Department of Religion held in the Haji Building, East Jakarta, on Tuesday [20 March].

Nevertheless, Munawir said, there are still some groups which have not yet been willing to accept PANCASILA. Perhaps this attitude comes about through ignorance or preconceptions. "This is where our responsibilities lie; we must keep on trying to convince those groups to accept PANCASILA consciously and wholeheartedly as the one and only basis of mass organizations," he said.

He stated, however, that he was thankful for the statements made by several mass organizations which have understood the advantages and necessity of accepting PANCASILA as their sole principle.

Minister Munawir is convinced that basically nobody is opposed to accepting PANCASILA as the sole principle for mass organizations.

9846

CSO: 4213/198

FUNDS RECEIVED FOR TRAINING LABORERS

Jakarta KOMPAS in Indonesian 23 Mar 84 p 2

[Text] For the next four years, the International Confederation of Free Trade Unions (ICFTU), with offices in Brussels (Belgium), will channel 2.22 billion rupiahs of free funds to Indonesia for the purpose of training Indonesian laborers. The Indonesian government, represented by the minister of manpower, agreed to this at the end of last January.

Agus Sudono, general chairman of the DPP [Central Executive Board] of the FBSI (All-Indonesia Labor Federation), revealed this to KOMPAS in his office on Wednesday [21 March].

Besides the funds from the ICFTU, the FBSI is also continuing to receive funds from the Asian-American Federation of Labor Institutes (AAFLI), from the International Labor Organization (ILO), from the YTKI-FES [Indonesian Workers Foundation-Friederich Ebert Stiftung] (West Germany), from the AFL-CIO and from the Indonesian government itself. He did not specify the exact amount of aid received from other organizations than the ICFTU for training laborers.

He only said that in the 11 years that the FBSI has been in existence, up to 1983, the amount used for training laborers in Indonesia has totaled about 5.5 billion rupiahs. About 0.5 billion rupiahs has come from the Indonesian government.

Spread Out Evenly

The 2.22 billion rupiahs from the ICFTU, according to Agus Sudono, will be used for five basic education programs. These five programs are for training potential labor union leadership cadres, for skills and productivity, for labor cooperatives, for research and development, and for the costs of developing socioeconomic projects which touch directly on the workers' concerns.

In addition to the ICFTU funds, labor-training funds from abroad will be spread out evenly over Indonesia's 27 provinces. In carrying out these projects, industrial centers as concentrations of labor activities will be emphasized.

The general chairman of the FBSI explained that foreign aid for training laborers will not be distributed in the form of cash but rather as labor-training projects or other activities directly managed and overseen by foreign workers sent by the organization which is supplying the funds. "In this way, the use of the money can

never deviate from the program which has been determined in advance, and there cannot be any "leaks" in carrying it out," said Agus Sudono firmly.

Vocational Training Stressed

He added that in 1984/1985 the Indonesian government is making about 1.5 trillion rupiahs available for education. It has been suggested that about 60 percent of that be used to broaden and increase the quality of vocational training in fields relevant to manpower needs in PELITA [5-Year Plan] IV. Only 40 percent should be used for developing general education, which has no direct connection with present manpower needs for development.

Up to now, according to the general chairman of the FBSI, education in Indonesia has been unbalanced and not in line with developmental needs. General education has received a much larger share of funds and attention than vocational education, which is aimed at creating skilled workers. As a result, there are too many over-educated workers. On the other hand, it is hard to find skilled workers, especially the semiskilled workers needed for development.

9846

CSO: 4213/198

ASAHAN PROJECT SAID TO CAUSE FLOODS

Jakarta KOMPAS in Indonesian 23 Mar 84 p 2

[Text] Some time ago, the Asahan River in Asahan, North Sumatra, flooded for the first time. Although on a national scale this was not a big flood, this well-known river made a mess of the village of Mahondang.

The area was flooded because rain water destroyed dikes in six locations over a 110-meter stretch. As a result, 300 hectares of orchards and residential areas were flooded. Besides that, about 1600 hectares of wet-rice fields were also flooded. More than 150 million rupiahs had to be spent to repair the dikes.

After the disaster was over, people wanted to know why it had happened. They looked for the reason behind it, not to find a "scapegoat" but so that such a disaster would not happen again.

The disaster occurred precisely 1 year after the completion of the first stage of the Ashasan River Project at the beginning of 1982. This accusation was leveled at the project not only by ordinary people but also by the experts in charge of the project.

In its first stage, the Asahan River Project has already cost 1.2 trillion rupiahs. The Tangga PLTA [Hydroelectric Generating Station] and the Siguragura PLTA will be able to generate 600 megawatts. This is four times the capacity of Jatiluhur, the largest PLTA.

These two PLTAs, to be completed this year, will be able to smelt 225,000 tons of aluminum a year. In the first stage, 75,000 tons of aluminum can be produced.

This project, which at the high point of its construction involved 10,000 workers, also has a surplus of electric power which society can use. More than 75,000 kilowatts will be sold via the PLN [National Electric Company]. You can imagine how useful this amount will be by thinking of the amount of electricity consumed by Medan: 93,000 kilowatts produced by oil-burning diesel generators. The Asahan River Project will make a big contribution to saving fuel.

However, this very useful project has been blamed for causing these recent floods. The Asahan River Project is located upstream and the floods took place downstream. It is suspected that the floods were caused by too much water in the 175-hectare dam.

Too much water caused damage to the people living downstream because when the dam was being built, the height of the dikes was not taken into consideration. As a result, the excess water sent downstream pierced and destroyed the dikes. And so, those in charge of the project should again look into the possibility of there being too much water. They should also carry out studies to determine the correct height of the dikes so that water does not overflow and inflict damages on the population.

9846

CSO: 4213/198

OBSTACLES TO RAISING SUGAR OUTPUT DESCRIBED

Jakarta KOMPAS in Indonesian 18 Feb 84 pp 1, 4

[Article: "Many Obstacles To Raising Sugar Output; MENTAN SK Fails To Support It"]

[Excerpts] Jakarta, KOMPAS--Many obstacles are faced in attempting to raise sugar output beginning with the planting system through the management of cane cutting and transport of the crop which are not yet up to meeting technical requirements. Further, climatic factors are such that production targets often are not achieved. This occurred last year in all of Java where national sugar production is centered at this time. Only some 88 percent of the production targets of PTP XV-XVI [state-owned Plantation Company Ltd, No XV and No XVI], which owns 13 sugar mills (PG) in Central Java, were achieved, namely 3,164,871 quintals of sugar of the planned 3.6 million quintals.

According to Engineer Warjatmo, executive director of PTP XV-XVI, PG's face a difficult task during REPELITA IV [Fourth 5-Year Economic Development Plan]. The government has set a target for national sugar production of 3.5 million tons, far above the current production target of 1.7 tons. He feels this target can be achieved if all work is done well.

Meanwhile, J. Vermeer, a sugar expert and retired head of the Crop Section of PNP [State Plantation Company] XX/Sugar in East Java, said in addition to the factors cited by Warjatmo, PG management cannot be divorced from the low sugar production or for the poor quality of the crop and cane cutting and transportation system. "Few PG's make crop projections, and their employees are not functioning well as far as practical skills are concerned," he said.

Vermeer reminded his listeners of the cane that was allowed to dry in various regions and the excessively long milling season. "Even though the cane grown on the plantations was good, such a situation clearly causes a drop in the sugar conversion rate," he said, recounting his experiences as an administrator of several PG's in Central and East Java.

KUD Role

According to Engineer Warjatmo, to ensure better production, the minister of agriculture [MENTAN] had issued an SK [decision] dated 19 December 1983, among

other things, regulated the role of the KUD (village unit cooperatives). Up to this time, the KUD's had handled everything from SAPRODI [production facilities], fertilizer distribution, crop supervision, and cane cutting and transportation to purchasing sugar from the farmer.

6804

CS0: 4213/176

PROJECTED USE OF \$2.4-BILLION FOREIGN AID FOR SEA COMMUNICATIONS

Jakarta BUSINESS NEWS in English 4 Apr 84 p 7

[Text]

Foreign aid to be received for the development of the sub-sector of sea communication in Pelita IV (fourth five-year development plan) which was started on April 1, 1984, is estimated to amount to around US\$ 2.4 billion.

Some US\$ 1.3 billion of the foreign assistance will be used to finance the procurement of vessels, and the remaining about US\$ 1.1 billion will be used to finance the development of infrastructures and facilities, the secretary of the Directorate General for Sea Communication, J.E. Habibie, disclosed here recently.

The transport of sea-cargoes reached around 6,805,000 tons served by 389 freighters with a total deadweight of 493,312 Dwt in 1983, as against 6,330,765 tons served by 397 freighters of 503,371 Dwt in 1982.

The projection of the volume of cargoes and the deadweight of freighters in Pelita IV (from 1984 to 1988) is as follows :

Year	Cargoes (tons)	Available vessels	Scrap (Dwt)	Need (Dwt)
1984	7,315,000	493,312	60,690	422,000
1985	7,863,000	432,622	76,999	439,000
1986	8,452,000	439,000	18,943	459,000
1987	9,005,000	454,000	7,854	470,000
1988	9,766,000	470,000	22,700	488,000

Most of ocean-going vessels in Indonesia have been operating for not more than 25 years; therefore, the government decision to scrap old vessels will not reduce the number of ocean-going ships operated by national shipping companies.

The available data show that only one ocean-going ship belonging to a national shipping company will have been operating for more than 25 years by 1985.

CSO: 4200/703

JAPANESE AID, LOAN 1977-1983

Jakarta BUSINESS NEWS in English 4 Apr 84 pp 9, 10

[Text] The Government of Japan is sending a Governmental Mission headed by Takaya Suto, director of the First Economic Cooperation Division, Economic Cooperation Bureau, Ministry of Foreign Affairs to Indonesia from April 2 through 7, 1984.

The main purpose of this mission is to exchange views with the officials of the Government of Indonesia on yen loans for the fiscal year of 1984/85. During its stay in Indonesia, the mission will make a tour to the Wonogiri Irrigation Project on April 5 and 6.

The Japanese yen loan for the fiscal year of 1983 amounted to 67.5 billion yen (approximately Rp 270 billion).

The past record of yen loans and the total amount of Japan's economic cooperation to Indonesia are as follows:

1. Official Development Assistance (ODA) to Indonesia

(million dollars)
(Net disbursements)

Calendar year	Capital grant assistance	Technical assistance	Loans	Total
	%	%	%	%
1977	8.1 (9.2)	16.1 (10.9)	124.2 (18.7)	148.4 (16.5)
1978	14.3 (8.8)	25.9 (11.3)	188.3 (16.4)	227.6 (14.9)
1979	19.9 (6.3)	23.7 (9.8)	183.3 (13.5)	226.9 (11.8)
1980	26.5 (7.1)	32.7 (11.8)	290.8 (22.2)	350.0 (17.9)
1981	15.1 (3.5)	37.3 (9.9)	247.4 (17.1)	299.8 (13.3)
1982	19.5 (4.7)	37.2 (9.5)	237.9 (15.3)	294.6 (12.4)

*Indonesia has been the largest recipient country of Japanese ODA (12.4% of the total Japanese bilateral aid in 1982).

2. Yen Loans

(1) Accumulated sum (commitments)	1034.8 billion yen
(2) Yen loans within the framework of IGGI	715.7 billion yen
(3) Yen loans for large-scale project aids (outside of IGGI)	
(a) for development of oil sector (1973, 1974)	62 billion yen
(b) for LNG project	56 billion yen
(c) for Asahan project (1976, 1978)	61.5 billion yen
(d) for ASEAN urea fertilizer project (1979, 1981) .	46 billion yen
(e) others	
for purchase of fertilizer, etc, (1973)	30 billion yen
for procurement of rice (1977)	65 billion yen

3. Yen Loans to Indonesia for FY 1983

- (i) - up to the amount of 67.5 billion yen
 - the repayment period 20 years after the grace period of 10 years
 - the rate of interest: 3.5% per annum.
- (ii) This financial assistance represents 6.9% increase (increase amounting to 4.33 billion yen) over the previous year's commitment.
- (iii) List (up to million yen)

(a) West Jakarta flood control	5,774
(b) Krueng Aceh Flood Control	8,953
(c) Riam Kanan irrigation	8,636
(d) Bakaru HPP	10,783
(e) Gresik SPP Unit	8,815
(f) Construction of Tomang Flyover and Tomang Interchange	7,201
(g) Jabotabek railway	5,203
(h) Construction of Slipi Flyover	5,658
(i) Maritime Telecommunication system	4,377
(j) Bila Irrigation (E/S)	550
(k) Bili-Bili Multipurpose Dam (E/S)	878
(l) Sulawesi Territorial Transmission Network (E/S)	442
(m) Dumai Port (E/S)	230
Total	67,500

CSO: 4200/703

PERTAMINA TO BUILD MORE OIL STORAGE FACILITIES

Jakarta ANTARA in English 1 Apr 84 pp A3-4

[Text] Manado, April 1 (ANTARA)--Pertamina, the state-oil company planned in the present Fourth Five-Year National Development Plan period (1984-1989) to build new oil depots in Sumatera, Kalimantan and Java, bringing the total number of the oil storage facilities throughout Indonesia to 116 within the next five years with a capacity of 1.9 million kilolitres.

The oil company's domestic supplies director, Adisumarta, further disclosed that there were now 94 such storage facilities in this country with a total capacity of 1.6 million kilolitres.

Speaking here to the press Sunday, the Pertamina executive said the company has in the Third Plan (1979-1984) built 33 of the planned 41 in the eastern part of Indonesia, and the project has cost the government more than Rp 40 thousand million.

Four were still under construction, respectively in Nabire (Irian Jaya), Ampana (Central Sulawesi), Labuha (Maluku), and Manokwari (Irian Jaya).

The other four could not be built as yet because their plots of land had not been sufficiently prepared or cleared, namely those in Buol and Buta (both in Central Sulawesi), Fak-fak and Kaimana (both in Irian Jaya).

The land preparation and clearance are being taken care of by the individual local administrations.

Adisumarta said the construction of 22 depots in the western part of Indonesia will be financed by the oil company itself.

The new depots to be built in Sumatera will include those in Krueng Raya, Meulaboh, Gunung Sitoli, Mentawai, Tembilahan and Kertapati.

Those already operating in Padang and Baturaja will be expanded, while the one still under construction at Baai Island (Bengkulu) is nearing completion.

In Kalimantan, depots will be built in Sanggau, Sintang, Kotabaru and Palangka Raya/Pulang Pisau. A large depot will be built in Kraton (near Sidoarjo), East Java, for relieving the burden of those in Surabaya. More will also be built in Camplong, near Sampang (Madura) and in Labuan Amok (Bali).

DECLINE OF OIL PRODUCTION REPORTED

Jakarta ANTARA in English 2 Apr 84

[Text] Jakarta, April 2 (ANTARA)--Indonesia's oil production stood at 374,926,106 barrels in the first ten months of 1983, a decline about 7.6% compared with that in the corresponding period in 1982, data recorded by the Directorate General for Oil & Gas show.

In October last year, Indonesia's daily oil production reached 1,306,000 barrels, an increase of around 0.92% as against 1,294,000 barrels in the previous month.

Indonesia's monthly oil production was recorded at 40,486,000 barrels in October 1983, comprising 2,238,756 barrels produced by the state-run company Pertamina, 18,414 barrels by Lemigas, 21,731,217 barrels by contractors operating under working contracts and 16,497,611 barrels by contractors operating based on production sharing contracts.

The production of condensate in October last year stood at 3,414,929 barrels consisting of 6,045 barrels produced by Pertamina, 31,713 barrels by contractors active under working contracts and 3,377,171 barrels produced by contractors operating under production sharing contracts.

Indonesia's condensate production in the first ten months of reached 28,904,183 barrels, the available data show. [as published]

Natural gas.

The production of natural gas in the country was recorded at about 109.5 billion of standard cubic feet in October last year, comprising 16 billion standard cubic feet produced by Pertamina, 15.7 billion standard cubic feet by Lemigas, 7 billion standard cubic feet by contractors operating under working contracts and 86.3 billion standard cubic feet by contractors active under production sharing contracts.

According to the Directorate General for Oil & Gas, around 97.5 billion of standard cubic feet or about 89.1% of natural gas produced in Indonesia is provided for local supply, and the remaining 10.9% is for exports.

The production of natural gas in Indonesia in the first ten months of last year reached about 948 billion standard cubic feet.

The volume of crude oil processed in oil refineries in the country reached 367,347 barrels a day in October last year, an increase of about 22% compared with that recorded in the previous month.

The volume of Indonesia's crude oil processed in Singapore stood at 207,731 barrels a day in October last year, a decline of about 5.6% compared with the volume of crude refined in Singapore in the previous month.

CSO: 4200/705

SCRAPPING OF OLD SHIPS OUTLINED

Jakarta BUSINESS NEWS in English 4 Apr 84 pp 8, 9

[Text] The government has since 1976 taken steps to boost the development of the sea communications subsector, such as the limitation of the age of vessels bought from abroad, the prohibition of the sale of ships which have been operating for over 20 years and the prohibition of the rebuilding of vessels already scrapped, according to J.E. Habibie, secretary of the Directorate General for Sea Communications.

Speaking before newsmen here recently, Habibie said further that the operation of old vessels, the operation of vessels by certain shipping companies under the wing of other shipping companies & problems emerging in the operation of EMKL (sea-freight forwarding companies) had hindered the development of the sea communication subsector in Indonesia.

The government decision to scrap old vessels, according to Habibie, will involve around 25 percent of ships operated by national shipping companies at the present time.

The types of vessels presently operated by national shipping companies and the deadweight of the vessels are as follows:

- a. Ocean-going vessels: 40 units of 627,624 Dwt, consisting of:
 - conventional types : 15 units - 152,384 Dwt.
 - semi-container types : 13 units - 185,999 Dwt.
 - full-container types : 6 units - 86,711 Dwt.
 - multipurpose types : 6 units - 75,399 Dwt.
 - bulk carrier types : 2 units - 127,131 Dwt.
- b. Nusantara liners/Regular Liner Service (RLS): 389 units - 493,312 Dwt.
- c. Vessels serving local routes: 1,049 units - 129,476 Dwt.
- d. Vessels operating for special services abroad: 88 units - 688,617 Dwt, consisting of:
 - log carriers : 85 units - 559,617 Dwt.
 - bulk carriers : 3 units - 129,000 Dwt.

e. Vessels operating for offshore special services consist of:

--tug boats	:	148 units - 115,181 HP
--barges	:	200 units - 110,634 BRT
--supply vessels	:	36 units - 130,000 HP
--crew boats	:	30 units - 25,366 HP
--landing craft	:	11 units - 66,322 HP
--tankers	:	6 units - 14,361 BRT

f. Vessels serving the transport of liquid cargoes, consist of:

--tankers	:	85 units - 113,747 Dwt.
--oil barges	:	39 units - 19,287 BRT
--tug boats	:	21 units - 16,173 HP
--barges	:	3 units - 3,725 BRT
--Mooring boats	:	3 units - 330 HP

g. Vessels operating for special shipping services in the industrial sector, consist of:

- 665 units in the forestry field,
- 350 units in the forestry field,
- 340 units in the mining field,
- 56 units in the field of multifarious manufacturing industries, and
- 561 units operating for Pertamina.

Vessels which will have to discontinue their operation from May 1, 1984 (comprising those already operating for 30 years or more by May 1, 1984) will reach 205 units, consisting of: 62 nusantara liners (60,690 Dwt), 28 vessels serving local routes (3,697 Brt) and 113 vessels operating for special services.

Vessels belonging to Indonesian shipping companies which will have to end their operation as of January 1, 1985 (as they will have been operating for more than 25 years by January 1, 1985) will consist of an ocean-going ship, 60 nusantara liners, 12 vessels serving local routes and 25 vessels operating for special services.

CSO: 4200/703

INTERINSULAR SHIPMENT OF GOODS INCREASING

Jakarta ANTARA in English 7 Apr 84

[Text] Jakarta, April 7 (ANTARA)--The interinsular shipment of goods by Indonesia has continued to increase in the past year, data collected by the Directorate General for Sea Communication show.

The volume of goods transported from one island to the others in the country was up from 5.9 million tons in 1981 to 6.3 million tons in 1982 and rose further to 6.8 million tons last year.

Viewed from the growth of in the interisland transport of goods in the past and the development of the industrial sector now in progress in the country, the volume of goods shipped from one island to the others is projected to increase by an average of 7.5% a year in Pelita IV (1984/85 to 1988/89).

Based on the projection in the growth of the interinsular shipment of goods at around 7.5% a year in Pelita IV, the volume of goods involved in interinsular shipment is estimated to reach 7.3 million tons in 1984, 7.8 million tons in 1985, 8.4 million tons in 1986, 9 million tons in 1987 and 9.7 million tons in 1988.

The interinsular transport of goods is served by vessels belonging to national shipping companies and smallholders. At the end of March this year, the national armada consisted of 40 ocean-going ships (627,624 Dwt), 389 nusantara liners (493,312 Dwt), 1,049 vessels serving local routes (129,476 Dwt) and 88 vessels operating for special services (688,617 Dwt).

Scrapping

To boost the development of the sea communication subsector in Indonesia, the minister of communications has decided to ban the operation of merchant ships which have been operating for 30 years or more on May 1, 1984, and 25 years or more on January 1, 1985.

With the scrapping of old vessels, the armada of merchant ships in Indonesia will need additional tonnage of around 83,377 Dwt in 1985, 33,943 Dwt in 1986, 23,854 Dwt in 1987 and 40,700 Dwt in 1988.

To meet the estimated need for additional tonnage, the procurement of new vessels will as far as possible be entrusted to national shipbuilding companies, according to Habibie, secretary of the Directorate General for Sea Communication.

The government decision to scrap old vessels will not reduce the number of ocean-going vessels belonging to national shipping companies as most of those vessels have been operating for far less than 25 years.

CSO: 4200/707

HYBRID COCONUT SEEDLINGS DISTRIBUTED TO FAMILY PLANNING ACCEPTORS

Jakarta ANTARA in English 9 Apr 84

[Text] Jakarta, April 9 (ANTARA)--President Soeharto said the program on the popularization of hybrid coconut through family planning acceptors constituted one effective way toward betterment of the standard of living of the people.

In his advice and direction when handing hybrid coconuts to a number of acceptors at his Bina Graha office here Monday, the President further stated that everything which may lead to an improvement of the life of the people must be tried on a well-coordinated basis.

The presidential assistance in the form of hybrid coconuts to family acceptors was also aimed at promoting the welfare of the small family, increasing income and boosting the production of hybrid coconut. In other words, he said, the hybrid coconut aid program has long-term effects to the life of the people.

The first stage of the assistance involved some one million coconuts given to acceptors of East Java.

The hybrid coconuts will be distributed among 2,500 villages in 175 kecamatans (subdistricts) in the province.

In this first stage, about 300,000 active family planning acceptors in the province will receive the coconuts. In the next stage, about 200,000 will receive the hybrid coconuts this year.

Agriculture Minister Ahmad Affandi meanwhile told the press that another one million hybrid coconuts will be prepared this year for distribution to Central and West Java, Yogyakarta and Lampung.

The President said two coconuts for each acceptors appeared to be not much but on a national scale the assistance comprising of two million coconuts would give an additional national income of about Rp 40 thousand million each year.

The President added that if one coconut tree produced 120 fruits per annum, at a price of Rp 100 per coconut each of the recipients will have an extra income of Rp 24,000 per years.

The assistance was handed to the Head of the National Family Planning Coordinating Board Haryono Suoyono for further submittance to the East Java Governor who will distribute the seedlings to the acceptors in the province.

The symbolical presentation ceremony was also attended by Minister Coordinating People's Welfare Alamsyah Ratuperwiranegara, State Secretary Sudharmono, Junior Minister for Promoting Perennial Plants Hasrul Harahap, Junior Minister for Increasing Food Production Wardoyo, Junior Minister for Expansion of Fisheries and Animal Husbandry and Minister of State for Population Affairs and the Living Environment Emil Salim.

Minister Hasrul Harahap said the hybrid coconuts were bought in Lampung at Rp. 450 per piece.

CSO: 4200/707

CREATION OF TIMBER ESTATES IN PELITA IV OUTLINED

Jakarta BUSINESS NEWS in English 4 Apr 84 pp 4, 5

[Text]

The government will in Pelita IV begin setting up on a large scale timber estates as part of the efforts to meet the rising demand for timber and to rehabilitate around 15 million ha of forest land which is no longer productive. It is mentioned in the paper of Ir. Apandi Mangundikoro discussed at a workshop on timber estates in Bogor recently.

The expert in the technological field of the Forestry Department states further in his paper that the program for the setting up of timber estates will support national development, especially through the enhancement of foreign exchange earnings and the creation of job opportunities.

The target of the opening of timber estates is 6.2 million ha in the year 2000, consisting of 150 units, and the projected peak production of around 90 million m³/year is expected to be reached in the year 2015.

The government has determined production forests covering 64 million ha or around 56 percent of the entire forest land. Most production forests in Indonesia consist of tropical forests found outside Java.

Indonesian tropical forests produce various kinds of high quality wood, but the productivity is still very low. The production of timber from tropical forests in Indonesia is not more than 60 million m³ a year, according to the paper.

Around 25 percent or about 15 million ha of production forests in Indonesia are no longer productive at present, and the production of timber and other forest products has continued to drop because of, among other things:

- shifting farm by around 1,000,000 nomadic farmers who open around 400,000 ha of forest land every year;
- forest fires, which devastate around 40,000 - 50,000 ha of forests every year;
- illegal tree-felling; and
- the replanting of some forests.

NEED FOR TIMBER : The production of timber in Indonesia stood at an average of 23.6 million m³ a year in the 1973-1982 period, with the highest production of 29.5 million m³ recorded in 1979. But as a result of the restriction of log exports, the timber production has kept on declining since 1980.

Thanks to the restriction of log exports, the wood processing industry in the country has rapidly developed. The total installed capacity of the wood processing industry rose from only 10.3 million m³ in 1979 to 23.4 million m³ in 1983. It is projected to increase further to 34.6 million m³ at the end of Pelita IV (1988).

The need for timber in Indonesia in the past several years has reached around 25 million m³ a year and is expected to grow to about 40 million m³ at the end of Pelita IV and around 80 million m³ in the year 2000.

To meet the demand for timber which keeps on increasing, the government is planning to set up timber estates with priority given to the reclamation of barren forest land or grassland, underbrush fields and swampy land as well as other unproductive forest land.

Based on the economic consideration, timber estate units will as far as possible be concentrated in certain locations &

the development of timber estates will be entrusted to state-run as well as private companies.

Funds required for the setting up and development of timber estates will be made available through the collection of forest rehabilitation funds from forest concessionaires, direct investments by private companies and allocation by the government, especially for forest land excluded in the forest concession program.

By considering the available funds, the government plans to set up 150 units of timber estates covering around 6.2 million ha in 22 out of 27 provinces in Indonesia.

The plan for the development of timber estates in various islands in Indonesia is as follows:

Islands	Hectares (x 1,000)	Percentage
1. Sumatra	1,570	25.3%
2. Kalimantan	1,965	31.7%
3. J a v a	1,560	25.1%
4. Sulawesi	450	7.2%
5. Maluku	215	3.5%
6. Others	440	7.1%
T o t a l	6,200	100.0%

The reforestation of forest land from Pelita IV to Pelita VI is as follows:

Periode	Concessional areas (,000 ha)	Non-conces sional areas (,000 ha)
PELITA IV	610	400
PELITA V	1,075	500
PELITA VI	1,215	600
T o t a l	2,900	1,500

The projection of timber production/ year in Pelita IV is as listed below :

kinds of products	Hectares (x 1,000)	Production (M3/year)
- Timber for construction	4,205	42,000
- Pulp and fibre	1,670	41,700
- Timber for energy	325	9,700
T o t a l	6,200	93,400

The projection of funds required for the development of timber estates in Indonesia from Pelita IV to Repelita IV is as listed below :

Period	Hectares (x ,000)	Cost (Rp millions)
PELITA IV	1,010	844,661.2
PELITA V	1,575	870,997.4
PELITA VI	1,815	953,446.7
T o t a l	4,400	2,669,105.3

CSO: 4200/703

ADB LOAN FOR NATIONAL ESTATE CROP PROTECTION PROJECT

Jakarta BUSINESS NEWS in English 6 Apr 84 p 10

[Text]

The Asian Development Bank recently approved a loan of \$ 63 million from its ordinary capital resources to Indonesia for the National Estate Crop Protection Project.

The project will help Indonesia in developing efficient estate crop protection services for smallholders so that benefits from large investments in estate crop development may be fully realized.

While the project's long-term aim is to increase production, the immediate objective is to reduce existing pre- and post-harvest crop losses.

The project is specifically towards the smallholder-dominated estate crop sector. A comprehensive crop protection service will be developed during implementation, by integrating pest, disease and weed control methodologies based on integrated pest control techniques into the smallholder oriented estate crop extension service.

Supplementary support will be provided for ensuring the availability of high yielding, high-quality and disease-free seeds and planting material, together with crop surveillance and recommended controls for outbreaks of major pests and diseases.

The loan is for a period of 20 years, with a grace period of six years, at an interest rate of 10.5 percent per annum.

A large training component included under the project will augment the availability of skilled manpower for estate crop protection and agricultural extension services at national and provincial levels and also strengthen domestic institutional and technology capabilities in the sector.

JAPAN IMPORTS INDONESIAN STRAW PULP

Jakarta ANTARA in English 9 Apr 84

[Text] Bandung, April 9 (ANTARA)--The Japanese government has been importing (rice) straw pulp from PN Kertas Padalarang, the State-owned Padalarang paper-mill, in Bandung, which is used as basic material for the production of paper currency in that country, the chief of the administration and general department of the State-owned enterprise, Drs. Wahyu Harun, said here Saturday.

Wahyu Harun explained to ANTARA that the import of straw pulp from PN Kertas Padalarang had been going on since December last year, amounting to ten tons. The shipments to Japan went through the Bandung-based PN Panca Niaga State enterprise.

Wahyu Harun further said that Japan imported the straw pulp not only for the manufacture of paper currency, but also for the production of several other quality paper.

"They need 50 tons of straw pulp every month," Wahyu added.

A seven-member team of Japanese paper experts has made a seven-day survey tour of the oldest paper-mill in Indonesia, Wahyu Harun said. These Japanese experts will assist in extending the paper-mill. They have promised to improve the quality of the mill's production as well as increase its production by five percent, he added.

Wahyu hoped that the extension work at the mill could be started by the middle of this year. For this purpose PN Kertas Padalarang will send 15 of its technical personnel to Japan to follow a three-month training course.

After the extension of the factory the production of cigarette paper will be increased to 9,000 tons per year, he said.

CSO: 4200/707

LIPI'S IRON ORE SMELTING PLANT TO START OPERATION IN JUNE

Jakarta ANTARA in English 3 Apr 84

[Text] Jakarta, April 3 (ANTARA)--The iron ore smelting plant built by the Indonesian Institute of Sciences (LIPI) in Lampung has now been completed. It is scheduled to start production operation in June this year at a capacity of 8,000 tons of iron ore a year.

LIPI Chairman Prof. Dr. Bachtiar Rifai told the press in Jakarta Tuesday that the iron ore smelting plant project had been under construction in the last two years (since May 1982) at a cost of Rp. 2.78 billion which was obtained as assistance from President Soeharto.

About 90% of the machineries and equipments of the new plant was manufactured by the National Metallurgy Institute, a suborganization of LIPI, in collaboration with the Directorate General of Base Metal of the Ministry of Industry.

The plant is located at the Sindangsari village, about 14 kilometers from Bandar Lampung, in South Lampung.

It constitutes a pilot project and will be treated as a model for similar facilities to be constructed in other parts of Indonesia, Prof. Dr. Bachtiar said.

The professor said, Indonesia would need about 150,000 tons of iron ore a year in the forthcoming five years so that within that period Indonesia would need to build another 20 iron ore smelting plants such as the one now already completed by LIPI.

Similar plants could be built immediately in Pleihari, South Kalimantan and in Flores, East Nusatenggara, as these two areas are rich in iron ore, Prof. Bachtiar said.

The LIPI's iron ore smelting plant in Lampung will use charcoal as its source of energy. Charcoal would be made from Lamtoro trees (*Leucaenea Glauma*) to be cultivated in areas surrounding the plant.

According to present plan, lamdoro trees would be planted in an area of 3,000 hectares in the surrounding of the plant, 1,000 hectares of this to be cultivated by LIPI itself. From the 3,000 hectares, about 80,000 cubic meters of wood would be obtained, sufficient for producing 8,000 tons of charcoal a year needed by the plant to operate at a capacity of 8,000 tons of iron ore a year.

CSO: 4200/706

EXPORT PROMOTION DRIVE LAUNCHED

Jakarta BUSINESS NEWS in English 6 Apr 84 pp 5, 6

[Text]

Indonesia's revenue from non-oil/non-gas exports is projected at US\$ 5,700 million in the first year of Pelita IV (1984/85) and US\$ 10,480 million in the fifth year of Pelita IV (1988/89), an increase of around 25.3% a year in the coming five-year period.

Viewed from the composition of non-oil/non-gas exports, the exports of industrial products are projected to increase from 23.7% of non-oil/non-gas exports at the end of Pelita III (1983/84) to 33.4% at the end of Pelita IV, whereas the exports of agricultural products are estimated to decline in percentage from 56.6% to 48.3% in the same period.

The government is determined to step up the role of the industrial sector in the promotion of Indonesia's non-oil/non-gas exports. Efforts are also to be made to further expand Indonesia's exports which are at present still concentrated on several industrialized countries. Around 55 to 60% of Indonesia's exports are at present absorbed by Japan, the United States and the European Economic Community, which respectively absorb 22%, 13.4% and 21% of Indonesia's exports.

In the enhancement of non-oil/non-gas exports, the industrial sector is expected to become the backbone in the collection of foreign exchange. For the purpose, the government is striving for the creation of investment climate favourable

to the acceleration of industrial development, especially for the growth of industries which use raw and basic materials available in the country.

According to data collected by BKPM (Investment Coordinating Board), there were 137 PMDN (domestic investment) companies and 12 PMA (foreign investment) companies in 1983 which were planning to export their products worth US\$ 1,450 million and US\$ 101.4 million/year respectively.

Among commodities to be exported by those 137 PMDN companies are sawntimber, plywood and other processed timber, metal products, textile/garments, marine products/fish, plantation products (cacao, tea, coffee, rubber, cassava, palm oil etc), chemical products, fertilizer, processed food, fructose syrup, fodder and portland cement.

The fishery sub-sector recorded the largest value of US\$ 101.4 million/year or around 22.2% of the total export value projected by those companies.

Commodities to be exported by the 12 PMA companies include paper, processed timber, textile, metal products and pearl. The biggest revenue is expected from paper exports, with a target of US\$ 22.1 million/year or around 21.8% of the total export value projected by those companies.

Among the 137 PMDN companies, those operating in the plantation sub-sector will absorb the largest number of labourers by employing around 33,400 workers, followed by the metal industrial companies with 20,327 workers, food processing companies with 14,054 workers and non-metal mineral industrial companies with 12,400 workers.

Among the 12 PMA companies, metal industrial companies create the largest job opportunities with 9,311 workers, followed by paper plants with 2,878 workers, construction companies with 1,711 workers and those operating in base metal industries with 1,523 workers.

The government is endeavouring to ma

intain the markets already created for Indonesia's products by improving the quality of the products concerned, securing the continuity of the supply and offering more competitive prices.

For the expansion of exports, the government will in Pelita IV seek new markets for Indonesian commodities in the Latin American countries, East European countries, the Middle East & Africa. The visit of Indonesia's trade missions to other countries will be intensified, whereas bilateral cooperation with countries which have potential markets will be stepped up and trade representatives will be established in new marketing areas for Indonesian products.

The implementation of the standardization program has been initiated since 1976 as part of the effort to improve the quality of Indonesian products. Up to the present time, the Trade Department has determined the standard of 149 items, including 24 commodities which have been covered in the quality control.

The 24 commodities comprise: natural rubber, patchouli oil, cananga oil, vetiver oil, kayput oil, sandal-wood oil, nutmeg oil, clove-leaf oil, citronella oil, coffee, dried cassava, nutmeg, mace, cinamon, nutmeg distillate, vanilla, copra cake, Tengkwang seed, palmoil and palm kernel oil, palm kernel, palm-kernel cake and lubricant.

The control quality is carried out through the certification system. Thus, commodities can be exported only with certificates declaring that the commodities concerned have met the quality standard.

The state income from the collection of export tax has kept on declining in the past several years, because of, among others, the restriction of log exports & the exemption of certain commodities from export tax.

BRIEFS

OLD MERCHANT SHIPS--Jakarta, April 2 (ANTARA)--With the planned realisation of the government decision to scrap old vessels, a number of 303 merchant ships will no longer be allowed to continue their operation, Director General for Sea Communication P. Soepardjo disclosed here Saturday. Of the 303 old merchant ships, 205 consist of those already operating for 30 years and not to (to continue their operation from May 1, 1984, and 98 consist of those already operating for over 25 years and not to be permitted to continue operation as of January 1, 1985.) allowed [as published] Vessels that will no longer be allowed to continue operation from May 1, 1984, comprise 62 nusantara liners, 26 ships serving local routes and 113 vessels operating for special services. Those not to be allowed to continue operation any longer as of January 1, 1985, comprise an oceangoing vessel, 60 nusantara liners, 12 vessels serving local routes and 25 vessels operating for special services. The director general said the operation old ships had hind the development of the sea communication subsector in Indonesia. The operation of vessels by sea freight forwarding companies (EMKL) has also hampered the growth of the sea communication subsector, he added. [Text] [Jakarta ANTARA in English 2 Apr 84 pp A5-6]

SELECTIVE MECHANIZATION OF AGRICULTURE--Jakarta, March 31 (ANTARA)--Mechanization in the agricultural sector will definitely be carried out in the coming Pelita IV (fourth five-year plan, 1984-1989), but selectively in order not to slow down the absorption of manpower, Minister of Agriculture Ir. Achmad Affandi told ANTARA here Friday. The implementation of agricultural mechanization will only be carried out in regions with lack of manpower, among others in the northern part of Java and in regions outside Java. In the coming Pelita IV the use of cattle will be encouraged in the cultivation of agricultural land in order to give employment to the local available manpower. Agricultural mechanization will be carried out through replacing the hoe and sickle by mechanical equipment such as tractor and other agricultural equipment. The use of mechanical agricultural equipment will however be limited due to the very high purchase-price of these equipment, far beyond the purchasing power of the average farmer. The government therefore appealed to the private business sector to develop and to create cheap agricultural equipment which is within the purchasing power of the farmer. [Text] [Jakarta ANTARA in English 31 Mar 84]

SHIP SCRAPPING POLICY--Surabaya, March 31 (ANTARA)--The plan of the Ministry of Communications to scrap all ships in the country which are more than 25 years old in the near future will not affect the volume of works at PT PAL, the biggest shipyard in Indonesia, its director Ir. Suleman Wiriadidjaja told ANTARA Friday. He explained in addition to building new ships, the other activities of the company is to maintain and repair used ships, mostly ships owned by the Indonesian navy. Most of these ships which come to the company's dockyard are not included in the list of ships that have to be scrapped. In fact, he said, there is a possibility that there will be more new orders for new ships as a result of the scrapping policy of the government, Ir. Suleman said. He said in cooperation with the Agency for the Assessment and Application of Technology (BPPT) in Jakarta, PT PAL's engineers were now working on a standard design for Indonesian ships. These works will last eight months. The standard design will later be distributed to all the shipyards operating in Indonesia at present, he said. There are now eight shipyards in Indonesia, including PT PAL, seven of them owned by the government. [Text] [Jakarta ANTARA in English 31 Mar 84 p 2]

NU NATIONAL CONGRESS POSTPONED--Jakarta, March 31 (ANTARA)--The planned national congress of an Islamic organization Mahdlatul Ulama, scheduled to be held in April this year, had been postponed until the promulgation of a law on mass organizations, Djamaluddin Tarigan, secretary of the organizing committee of the planned congress told newsmen here Saturday. Tarigan said the law on mass organizations which was expected to be adopted by the House of Representatives (DPR) this year, was badly needed by the Mahdlatul Ulama (NU), because the law had a close relation with matter to be discussed in the congress. The matter was on the sole principle of Pancasila, which would be adopted by the congress as the sole principle of the Mahdlatul Ulama, he added. Tarigan, who is also a member of DPR of the Islamic United Development Party faction, further said that the bill on mass organization was now still under a process of deliberation of an ad hoc committee of the House, and he expressed the hope that the bill would be tabled and adopted by the House during the next sessions. He went on to say that under the bill, mass organization was divided into two categories; the first on social affairs organization and the second on religious affairs organizations. According to him the postponement of the congress was also aimed at seeing the rules and arrangements for religious organization under the bill, so the congress would be able to correctly and efficiently adopt its decisions. [Text] [Jakarta ANTARA in English 31 Mar 84 pp A1-2]

WARNING AGAINST COMMUNISM--Jakarta, April 1 (ANTARA)--Former House Speaker Daryatmo has said that the Indonesian people should remain vigilant against the latent danger of communism. Daryatmo who is now member of Armed Forces (ABRI) faction of the DPR (Parliament) made the remarks in a talk to the ANTARA here Saturday. He said the 1945 generation had twice been stabbed by the Communist, namely in the forms of the 1948 coup in Madiun and the 1965 coup known as the G.30.S/PKI. Efforts should be made to prevent the possible recurrence of such revolts in the future. In this connection, Daryatmo pointed to a decree of the MPR (Congress) which prohibits the Marxist/Leninist and Communist books throughout the country. He also pointed to the periodic holding of the October 1 (Sanctity Day and continued dissemination of information on the

danger of Communist. Asked on the infiltration of a former Baperki (a Communist mass organization) bigshot into the field of mass media in North Sumatra, Daryatmo said the security authorities should investigate it. (Pancasila [as published] Aside from increasing the people's vigilance, efforts to counter the latent danger of communism can also be made through the improvement of the people's welfare, Daryatmo said. In this connection, the national development program now being carried out by the Indonesian government and people should be made a success, Daryatmo added. [Text] [Jakarta ANTARA in English 1 Apr 84 p A4]

CENGKARENG AIRPORT TEST--Jakarta, April 10 (ANTARA)--Communication Minister Roesmin Nuryadin on board an Airbus A-300 Monday tried a landing test at Cengkareng international airport's runway. The test included takeoff and landing on a 3,050 m long runway of the new airport. "The test has been very successful," an official of the Garuda Indonesian Airways said. Accompanied the minister during the test were Director General of Air Communication Sutoyo and Director of PT. Garuda Indonesian Airways Wiweko Supono. The Cengkareng airport project officer IR. Karno Barkah said that the airport would have two runways namely in the north side (3,050 m long) and in the south 3,660 m. The construction work of the airport until March 31 had been 85.2 percent completed. The airport is expected to be in operation beginning April 1, 1985. [Text] [Jakarta ANTARA in English 10 Apr 84]

RESETTLING 190,000 CENTRAL JAVANESE--Semarang, April 10 (ANTARA)--The government will in the Fourth Five Year National Development Plan period (1984-1989) send 190,000 to 200,000 families in Central Java to different locations outside Java island. Central Java has a population of 26 million with an annual growth rate of 1.66%. During the last Pelita III, the government resettled some 129,035 families while the original target stood at only 124,484. The excess was part of the Central Javanese to be resettled in the Fourth Plan. [Text] [Jakarta ANTARA in English 10 Apr 84]

JANUARY OIL, GAS EXPORTS--Jakarta, April 10 (ANTARA)--The export of Indonesian crude oil and other oil products in January 1984 recorded a ten percent increase compared with that of January of the previous year. Data obtained by ANTARA from Bank Indonesia showed that the export of Indonesian crude and other oil products in January 1983 recorded a value of US\$934,277, while that of January 1984, according to Bank Indonesia tentative figures, value of US\$1,027,785 or a US\$93,508 or ten percent increase. The export value of US\$1,027,785 was the total earnings in January of the State-owned Pertamina oil company (US\$432,511), as well as from the foreign oil companies working in Indonesia based on a work contract (US\$266,787) and on a product sharing contract (US\$328,487). Meanwhile the export of Indonesian LNG (liquefied Natural Gas) during January 1984 recorded also an increase of 2.5 percent compared with that of January of 1983. The export of Indonesian LNG in January 1983 recorded a value of US\$249,438, while that of January 1984, according to tentative Bank Indonesia figures, a value of US\$255,739 or a US\$ 6,297 or 2.5 percent increase. The value of US\$ 255,739 was, obtained through the export of LNG from the Badak field (US\$133,417) and from the Arun field (US\$122,322). [Text] [Jakarta ANTARA in English 10 Apr 84]

ENLARGING JAYAPURA'S SENTANI AIRPORT--Jayapura, April 9 (ANTARA)--The runway of Jayapura's Sentani airport in Irian Jaya, is at present being enlarged in order to be capable for DC-9 plane landings. The expenses will be made available from project funds of the 1983/1984 fiscal year. This was stated by Irian Jaya's provincial Air Communication office chief M. Panggabean to ANTARA here Saturday. The enhancement of Sentani airport will for instance shorten the travel time from Jakarta to Jayapura. DC-9 planes can now fly straight to Jayapura without change of planes which means a cut in transit time, Panggabean said. The cut in transit time will enable passengers to continue their flight to Merauke the same day, enabling a one-day flight from Merauke to Jakarta. The distance from Jakarta to Jayapura is the same as that from Jakarta to Hongkong. But at present one has to change planes three times before reaching Jayapura, a great nuisance for the passengers, Panggabean said. [Text] [Jakarta ANTARA in English 9 Apr 84]

OFFICIAL ON EEZ FISHING--Jakarta, April 4 (ANTARA)--About 200 patrol boats of 400 to 800 gross tons would be needed to guard the approximately 0.8 million square miles of Indonesia's Exclusive Economic Zone, from illegal fishing by foreign vessels, Fisheries Director General Abdu Rachman said here Wednesday. There were still a number of foreign fishing vessels within the special zone without the permission of the Indonesian authorities, he pointed out. Indonesia's territorial waters are now guarded by special units formed under a co-operation between the Directorate General of Fisheries and the Navy. He ruled out the use of naval ships to deal with the foreign fishing boats, because the latter were in no way the match of the former. "The fishing boats are much too small," he exclaimed. In support of the operations of the patrol boats, aircraft and effective communication network were needed to chase away the thieves, he said. Most of the illegal fishing operations took place in the eastern part of Indonesia. With the Exclusive Economic Zone declared on March 21, 1980, the marine resources under Indonesia's control increased to 2.1 million tons of fish per annum, while only about 1.7 percent of this potential had been exploited with the existing means and facilities. Considering that Indonesia has not reached the ability of fully exploiting the special zone, under United Nations regulations the government is obliged to give other countries the chance to give a hand with the permission of the Indonesian Government. He said not many foreign companies have expressed their wish to operate in the special zone. [Text] [Jakarta ANTARA in English 4 Apr 84]

PLYWOOD INDUSTRY NEEDS WORKERS--Ambon, April 4 (ANTARA)--Plywood industry in Maluku needs 25,000 workers from outside the province to be employ in the project, Maluku Governor Hasan Slamet told the press at Pattimura airport, here, when seeing off Manpower Minister Sudomo to fly back to Jakarta, Tuesday. The governor said that the development of plywood industry in the province over the last five years was encouraging. He said that plywood was one of the province's essential non-oil/gas export commodities. The fast development of this industry must be matched with the sufficient amount of workers, which will be recruited from outside the province, he added. "We now need 25,000 workers from Java for plywood industry only," the governor said, adding that this figure excluded the existing manpower from the province. Priority for employment will certainly be given to the local manpower in line with the policy of the Manpower Department, he noted. Hasan Slamet said that timber industry in Maluku would have brighter prospect with its vast timber resources scattered in the "One Thousand Island" province. Part of timber products are

exported to several countries, the remainder go to the local markets to meet with domestic demand, the governor said. "We earn over US\$100 million foreign exchange from export of this commodity a year," he said. Cacao plantation has been developed by the local villagers in Halmahera, and he was convinced that this commodity would also have brighter prospect. [Text] [Jakarta ANTARA in English 4 Apr 84]

CREDIT FOR BINTAN ALUMINA PLANT--Washington, April 4 (ANTARA)--The Government of Indonesia signed two credit agreement on March 30, respectively amounting to US\$50,925,000 and US\$4,654,050 with the US Export and Import Bank (Eximbank). Indonesian Ambassador to the United States Hasnan Habib signed the agreement on behalf of the Government of Indonesia and John Bohn, vice president of Eximbank represented the bank. The US\$59,925,000 credit was given by the Eximbank and the Chase Manhattan Bank to the Government of Indonesia to fund the Bintan Alumina Plant. The construction of the plant is expected to spend a total of US\$70.5 million and is expected to produce 600,000 tons of aluminum per year. The Chase Manhattan Bank will provide a US\$7,050,000 credit and Eximbank, US\$52,875,000. The credit of the Chase Manhattan Bank must be repaid through three installments, on every June 30th and December 31st. The first repayment will be on December 31, 1986. The Eximbank's credit must be repaid twice a year for a period of nine years. The credit interest is set at ten percent a year. Another credit agreement amounting to US\$4,652,050 will be used to fund "Batan Service Management Project." The credits will be given by the Eximbank and Hongkong and Shanghai Banking Corporation. The credits will be used to purchase equipment of the National Atomic Energy Institute (Batan) at the Centre of Science and Nuclear Technology at Serpong, West Java. [Text] [Jakarta ANTARA in English 4 Apr 84]

CORN TO BE IMPORTED--Indonesia will still import corn this year. Therefore, the export of corn from BULOG [Logistics Agency] stocks has been stopped while discussions will be held again on corn exported to date by private entrepreneurs. Several regions, particularly East Nusa Tenggara, are expected to be able to cut imports. This conclusion, among others, was reached at the All-East Indonesia food coordination meeting held in Ujungpandang. The above information was conveyed during a press conference conducted by Prof Dr Ibrahim Hasan, BULOG deputy chief for the distribution and supply sector, and Engr Muslimin Nasution, chief of the Research and Development Section, Cooperatives Department, held on Thursday evening [16 February] following the coordination meeting. They explained that rainfall was normal and was expected to be sufficient to produce adequate food stocks this year. This year's food stocks for East Indonesia were forecast at some 217,000 tons rice equivalent. The South Sulawesi region had the best potential with a forecast of 200,000 tons rice equivalent, exceeding those of East Nusa Tenggara and other regions. Although the floor price for unhulled rice was raised from 145 rupiahs per kg to 165 rupiahs per kg, the floor prices of secondary crops were not raised because it was felt the market prices were adequate. The two officials underscored what Engr Wardoyo, vice minister for increasing food production affairs, had said on being self-sufficient. Self-sufficiency, according to Wardoyo, should not be viewed from the standpoint of self-sufficiency for an area or region but from a national self-sufficiency standpoint. Further, the interisland rice trade continues to be supported by the government because this trade aids in stabilizing national food supplies. [Text] [Jakarta KOMPAS in Indonesian 17 Feb 84 p 12] 6804

JAVA-BALI POWER TRANSMISSION LINE--Denpasar, April 6 (ANTARA)--The construction of the undersea high-voltage power transmission network linking Java with Bali is expected to commence this year by Japanese, Yugoslav and West German contractors. The head of the Nusa Tenggara PLN (State Electricity Corporation) office Haroen said here Thursday that five kilometers of the line will be laid by the Japanese, while the Gilimanuk-Denpasar-Singaraja transmission line on Bali island will be built by Yugoslav and West German engineers. The 150-kilowatt transmission line is part of a circuit linked with the main network in East Java. The project is to secure power supply on the island paradise in case the local power generator fails to function. The project electric power generation on Bali works on diesel energy, while the main network in East Java on water. The surplus electric power in East Java is expected to be distributed to Bali. Referring to the diversification of energy, Haroen said a feasibility study was underway for the construction of a geothermal electric power generating plant in Bedugul, some 55 kms north of here. The government will be building power networks on the island through stages. The rural electrification project in Bali is expected to be completed by the end of the current Fourth Five-Year National Development period (1984-1989). [Text] [Jakarta ANTARA in English 6 Apr 84]

OIL EXPORT EARNINGS--Jakarta, April 8 (ANTARA)--The realization of Indonesia's oil export in 1983/1984 was around US\$14 billion, lower than the target of state budget which was set at US\$16 billion, Minister of Mines and Energy Prof Dr Subroto said here, Wednesday. Subroto said that the failure in achieving the export target was due to the fall of OPEC crude price from US\$34 to \$29.50 per barrel and the weak of the international oil market over the last five years. He predicted that in the coming five years the world oil price would not significantly change for which Indonesia should be cautious in interpreting the development of the world oil market. Subroto said that the Oil Petroleum Exporting Countries (OPEC) would face several challenges in years to come such as oil conservation by industrial countries, increase oil production in non-OPEC members and the increase of fuel oil export in the world market replacing the role of crude. "Many Middle East countries are now building new oil refineries, so the fuel oil stock will be increasing. For this we must prepare an appropriate marketing strategy," the minister said. [Text] [Jakarta ANTARA in English 8 Apr 84]

MANPOWER TO SAUDI ARABIA--Jakarta, 4 March--The Saudi Arabian Government is showing an interest in importing Indonesians for work in Saudi Arabia. It hopes Indonesia will be able to send as many workers as possible to fill jobs that are available there. Abdul Latif Salam, consul at the Saudi Arabian Embassy to Indonesia made this statement to newsmen on Saturday /3 March/ in Jakarta after inaugurating the PT Barfo Mahdi Training Center together with Manpower Minister Sudomo, Suprpto, governor of the Special Capital Region of Jakarta, and Maj Gen Try Sutrisno, commander of Military District V/Greater Jakarta. The Saudi Arabian Government expects manpower sent to that country to be productive and highly disciplined and to follow the regulations in effect there. "They do not have to be Muslims. We shall accept those adhering to other religions as long as they respect the regulations of our country," he said.

Saudi Arabia, he said, will accept workers who will serve as housemaids, chauffers, and heavy equipment operators as well as midlevel workers such as nurses and computer experts. The consul noted that many nations send workers to Saudi Arabia to fill various jobs where they compete as far as productivity and work discipline are concerned. If Indonesians who come to work in Saudi Arabia can compete with workers from other countries, the Saudi Government will no longer hesitate to accept as many workers as possible, considering that Indonesia is a good friend of the Kingdom of Saudi Arabia. /Text/ /Jakarta SINAR HARAPAN in Indonesian 5 Mar 84 pp 1, 12/ 6804

POPULATION CONTROL STEPS OUTLINED--Jakarta (AB)--Prof Dr Emil Salim, minister of state for population and the environment, said the birth rate must be reduced at a faster rate to solve the population problem because we must also reduce the death rate to the lowest possible degree. In offering this information to newsmen after having been received by President Suharto at the Bina Graha /executive building/ on Monday /5 March/, the minister said other than actively promoting the family planning program to lower the birth rate, six steps will be taken: training, postponing marriage for women from 16 to 20 years of age, spacing births, offering social security to children, reducing the number of deaths, and increasing people's involvement. The minister also pointed out that it is very important to involve men in the population problem, especially since we have a patrilineal social system in Indonesia (one that traces descent through the paternal line). In this connection, he said, the present very active promotion of the family planning program must involve men as well as women. Regarding efforts to lower the birth rate, the minister said the target is to lower the birth rate from 33.8 births per 1,000 population to 29.8 births per 1,000 by the end of PELITA IV /Fourth 5-Year Economic Development Plan/. In the same period, the death rate must be reduced from 11.7 deaths per 1,000 population to 10.1 deaths per 1,000 so that the population growth rate remains at 22.1 per 1,000 or about 2.2 percent. The minister noted that society's view that "being an old maid is something to be ashamed of" must be changed, and women will be given incentives to marry at age 20 and facilities will be provided for their weddings. /Text/ /Jakarta HARIAN UMUM AB in Indonesian 6 Mar 84 pp 1, 2/ 6804

ALIENS REPLACED TOO SLOWLY--Jakarta (AB)--Drs Syamsuri, director of manpower placement and management of the DEPNAKER /Manpower Department/, said yesterday /5 March/ that the contribution for education and training /IWPL/ which each alien worker is obligated to pay every month may be too small. "The replacement of alien personnel with national personnel is moving too slowly," he said. This may be due to the fact that they feel the IWPL is small and it might be good to raise it again. Alien workers now pay only \$400 toward the IWPL. This is an increase of only \$100 over the amount they were earlier required to pay. Speaking to participants in the fourth marketing management force training and education program held at the Hotel Orchid, he said to date it has been the government's policy to levy only certain requirements on aliens permitted to work in Indonesia, principally for jobs requiring such highly skilled personnel that they could be filled only by aliens. About 30 percent of the marketing

education and training for the chemical industry field, which began yesterday and is to continue until 3 April, was accomplished in the afternoon. Managers are participating in this training to augment their skills to be able to replace alien workers who are now employed in the chemical product marketing field. The free training and education is paid for with IWPL funds, and this is the fourth group participating in such training. In his written greeting, Drs Kuntjoro Jakti, director of the Trade Facilities Directorate General, who is also chairman of the IWPL Managerial Team, Trade Department, said a company manager in Indonesia faces many challenges at present. "This is due to the changing market situation because of the increasing number of joint ventures and PMA /foreign capital investment/ industries in the country. Therefore, competition is becoming more intense," he said. /Text/ /Jakarta HARIAN UMUM AB in Indonesian 6 Mar 84 p 3/ 6804

CSO: 4213/187

CLANDESTINE RADIOS REPORT BATTLEFIELD ACTIVITY

Koh Kong Leu Position

BK2011033 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
19 Apr 84

[Text] On 16 April, our special contingent attacked and liberated a Vietnamese company position below Ta Ngel Hill near Kirivong Village on Koh Kong Leu battlefield. We killed 50 Vietnamese soldiers and wounded 30 others. We destroyed 50 assorted weapons, including 25 AK's, 12 B-40's, and 3 B-41's, and a quantity of war materiel, and seized 8 AK's, 2 B-40's, an RPD, a machinegun, and a quantity of war materiel. Next morning, the Vietnamese soldiers attempted to seize this position from us but they hit our landmine, suffering five killed and three wounded. The survivors fled back.

Position 'Liberated'

BK290050 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2300 GMT 28 Apr 84

[Text] On 27 April, our special detachment raided a Vietnamese battalion position at Phum Raivog on Koh Kong Leu battlefield. After fighting for 20 minutes, we totally liberated and took control of this battalion position. We killed 40 Vietnamese soldiers, including a battalion commander, a company commander, and 2 platoon commanders, and wounded 70 others; destroyed 68 AK's, 4 B-40's, 3 B-41's, 610 DK-82 shells, a C-25 radio set, 50 sacks of rice, 10 barracks, and 170 trenches; and seized 8 AK's, a KD-82, and a quantity of ammunition and war materiel.

Chhep District Airfield Raided

BK210751 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
20 Apr 84

[Text] Our National Army and guerrillas raided the Chhep District airfield in two prongs on 12 April. The first prong, coming from the north, headed toward the airfield control building. The second prong, coming from the east, headed toward the parking lot east of the market. After 15 minutes of fighting, we killed three Vietnamese soldiers, wounded five others, destroyed two cars, and burned two aircraft hangars and three barracks. On the following morning, another Vietnamese soldier was wounded when, in an operation launched after our

forces he stepped on a landmine. As a result, we killed or wounded nine Vietnamese soldiers. Long live our valiant National Army, guerrillas, and people of the Chhep-Thalabarivat battlefield!

SRV Company Posts 'Liberated'

BK230325 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
22 Apr 84

[Text] At 0530 on 9 April, our special detachment attacked three Vietnamese company positions at Phum Sre Noy, Phum Vat, and Phum Sre Po, Banteay Srei District, Siem Reap Province. After 15 minutes of fighting, we liberated and took full control of these three positions and the Sre Noy commune with eight villages, namely, Phum Sre Noy, Phum Vat, Phum Sre Po, Phum Ta Sek, Phum Khvav, Phum Sre Samot, Phum Khnar Kraou, and Phum Kantuot. We killed 3 Vietnamese soldiers and wounded 3 others; destroyed 5 barracks, 10 trenches, and a quantity of war materiel; and seized 2 AK's and a quantity of war materiel.

Kompong Thom Area Hit

BK280248 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 27 Apr 84

[Text] After we completely smashed both their strength and materiel in Kompong Thom Town 3 consecutive times, the Vietnamese enemy aggressors refurbished the defense networks around Kompong Thom town in terms of manpower, artillery pieces, and landmines in order to prevent our National Army from entering and attacking them. However, on the night of 24 April, our National Army attacked and broke these defense lines and raided a number of important positions of the Vietnamese enemy adjacent to Kompong Thom Town.

We attacked them in two prongs. The first started the attack from Kompong Krabau at Phteah Thmei Bak and headed toward the large rice husker east of Boeng Kilo. The second started from the bank of the Sen River, headed toward the defense camp in the east, and continued its thrust toward the rice husker.

We completely succeeded in this attack. As a result, we killed or wounded a number of Vietnamese soldiers; destroyed a large rice husker and a medium-size rice husker loaded with rice; burned 200 metric tons of paddy, 60 sacks of rice outside the huskers, 15 barrels of diesel, and 3 barrels of engine oil; and seized a quantity of arms, ammunition, and war material.

The Vietnamese enemy soldiers in Kompong Thom Town were panic-stricken and fled to the western part of the town. They fired gunshots at random.

On 25 April we attacked Tomnup, killing three Vietnamese soldiers, including a battalion officer, and wounded five others.

Leach Battalion Position 'Liberated'

BK300115 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 29 Apr 84

[Text] On the night of 25 April, our special detachment attacked a Vietnamese battalion position at Pramaoy on Leach battlefield. After fighting for 15 minutes, we totally liberated this position. We killed 10 Vietnamese soldiers, including a Vietnamese battalion commander, and wounded 17 others; destroyed an 80-mm mortar, 2 B-40's, a B-41, an RPD, 30 trenches, 8 military barracks, a rice warehouse containing 5.5 metric tons of rice, a store of dried fish, a salt store, and a quantity of war materiel; and seized 8 AK's, a B-40, a B-41, an M-30, a 60-mm mortar, a CK, 11 AK magazines, 5,000 AK rounds, 20 B-40 rockets, 15 hand grenades, 8 rucksacks, and a quantity of war materiel.

Vietnamese Commander Killed

BK010932 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2300 GMT 30 Apr 84

[Text] On 20 April, the Vietnamese soldiers posted at the defense network of Khemaraphumin Town, Koh Kong Provincial Seat, killed a Vietnamese commander and wounded some other soldiers. They did this because this Vietnamese commander always forced them to go out and fight.

17 Battambang Villages 'Liberated'

BK010940 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2300 GMT 30 Apr 84

[Excerpt] Here is a report from various battlefields: Battambang battlefield: On the night of 25 April, we swept Vietnamese soldiers from Phum Khnor to Phum Prek Ambel along the Sangke River banks east of Sangke District, Battambang Province. We killed 3 Vietnamese soldiers and wounded 5 others; destroyed an RPD, 2 AK's, a rice miller, and 2 commune offices--(Khpop) Commune and Prey Luong Commune; and liberated 17 villages, namely, Phum Khnor, Phum Khnor Pi Muk, Phum O Rumchek, Phum O Kambot, Phum (Khchet), Phum Popok, Phum (O Davon), Phum (Khpop), Phum Prek Luong, Phum Narin, Phum Kdei, Phum Rohai Suong, Phum Ansaom Saok, Phum Bak Onrek, Phum Phleou Kat, Phum O Andaeuk, and Phum Prek Ambel.

Chhep, Pursat Military Successes

BK020637 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2300 GMT 1 May 84

[Report from various battlefields]

[Excerpt] Cheep battlefield: On the night of 25 April, our special detachment attacked and smashed a Vietnamese battalion position at Krala Peah located along the Orad leading from Chhep to Choam Khsan. After 15 minutes of fighting, we totally liberated this position; killed 18 enemy soldiers, including a captain; wounded 23 others; destroyed 9 AK's, a B-40, a B-41, a M-79, 2 RPD's, an M-30, a 60-mm mortar, an 82-mm mortar, a C-25 field radio, and a quantity of war materiel; and seized 4 AK's and a quantity of war materiel.

Pursat battlefield: On the night of 24 April, we attacked and totally smashed three Vietnamese positions east of Pursat market. They are a platoon position located at the head of Chhuk Meas Road, a company position at Srang Thom, and a group position at Srang Toch. We killed 5 enemy soldiers; wounded 8 others; destroyed 2 AK's, a B-40, 35 barracks, 20 trenches, and 2 bridges with a total length of 40 meters; and seized 2 AK's, a CK, 7 hand grenades, 650 AK rounds, 7 rucksacks, and a quantity of war materiel. On 23 April, we ambushed the Vietnamese soldiers moving from Krang position to Srang Thom, killing six and wounding seven. On the same day, we attacked the enemy soldiers at a position in Chhuk Meas Village, killing one and wounding two. On the night of 25 April, we launched a commando raid on the Vietnamese company position at Kamreng rail-ways station. After 15 minutes of fighting, we totally liberated this position. We killed 8 enemy soldiers; wounded 18 others; destroyed 8 barracks, 36 trenches, and a quantity of weapons, ammunition, and war materiel; and seized 4 AK's, a B-40, a B-41, 2 RPD's, 5 CK's, 2 M-16's, 760 AK rounds, a B-40 rocket, 4 B-41 rockets, a telephone set, a radio set, 10 rucksacks, 9 hand grenades, 10 AK magazines, 6 sacks of rice, and a quantity of war materiel. On the night of 24 April, we raided the Ta Lo commune office in Bakan District. We killed or wounded a number of enemy soldiers; destroyed a rice storage center containing 2,000 sacks of rice and a quantity of war materiel; and seized a quantity of war materiel. We liberated eight villages, namely Phum (Tong Pralay), Phum Veal, Phum Vat Chas, Phum Stoeng Thmei, Phum (Skei Stoeng), Phum (Penot), Phum Pruh, and Phum Pralay Thmei.

1,800 Khmer Soldiers Desert

BK020545 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
1 May 84

["News commentary": "1,800 Khmer Soldiers Forced to Fight and Die on Behalf of the Vietnamese Enemy on Leach Battlefield Fled Back Home:"]

[Text] Between 20 March and 20 April, 1,800 Khmer soldiers forced to fight and die on behalf of the Vietnamese enemy on Leach battlefield fled back home. At present, more Khmer soldiers on this battlefield are fleeing every day.

At present, more Khmer soldiers forced to serve the Vietnamese enemy on all battlefields throughout Kampuchea have fled, a few at a time in some areas, 20-30 at a time in some areas, hundreds at a time in some other areas, and even thousands and whole units at a time in some other areas. This is because these Khmer soldiers have nurtured both personal and national hatred against the Vietnamese enemy who has bullied and massacred their wives, children, parents, and relatives, and massacred our Kampuchean people and attempted to exterminate our Kampuchean race. This hatred has increased to an unbearable point. The Khmer soldiers have come to realize that only by jointly fighting the Vietnamese aggressors and race exterminators can our Khmer nation and race survive. This is why they have mutinied and fled from the Vietnamese aggressors to join our nation, people, and our National Army and guerrillas.

Positions, Communes 'Liberated'

BK031215 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
2 May 84

[Text] Our National Army and guerrillas attacked and smashed the Vietnamese enemy aggressors along Route 68 from the Chraneang Hamlet position to MOUNG Commune in Kralanh District, Siem Reap Province, on 24 April. We killed or wounded a number of Vietnamese soldiers and destroyed three Vietnamese positions, namely the platoon position in Chraneang Hamlet, the platoon position at Kouk Ta Bas, and a company position in MOUNG. We also liberated two communes, namely MOUNG and Sen Sok. We destroyed two commune offices, five military barracks, and some war materiel, we completely liberated and controlled the three positions and two communes.

Long live our valiant National Army, guerrillas, and people of the Siem Reap battlefield!

CSO: 4212/48

VODK REPORTS ON KHIEU SAMPHAN'S ESCAP ADDRESS

BK250415 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
24 Apr 84

[Text] Khieu Samphan, Democratic Kampuchean vice president in charge of foreign affairs and head of the CGDK delegation, addressed the 40th Economic and Social Commission for Asia and the Pacific annual meeting on the morning of 21 [date as heard] April.

First of all, Khieu Samphan hailed Japan's important role in the Asian-Pacific region. After hailing the ASEAN countries' economic development, he stressed the broad capabilities of all countries in this region regarding regional and bilateral cooperation. He said: Kampuchea has quite enough economic resources and capabilities to cooperate in all fields with countries in this region. But this work is impossible so long as Kampuchea's independence and peace have not been achieved.

Khieu Samphan also reiterated, on behalf of the Kampuchean people and the CGDK, profound thanks to all peace- and justice-loving countries, including Japan, for their valuable support to the Kampuchean people's just cause. He also called for further support from these countries.

In conclusion, Khieu Samphan condemned and rejected the address made by the Vietnamese delegation who spoke on behalf of Kampuchea and as master of Kampuchea. Khieu Samphan said: The Kampuchean people and the CGDK treasure and resolutely defend their national honor. The Kampuchean people and the CGDK are brave and capable of fighting the aggressors in order to drive all of them out of our fatherland.

CSO: 4212/48

KAMPUCHEA

BRIEFS

GREETINGS FROM PAKISTAN'S ZIA--Democratic Kampuchean President Samdech Norodom Sihanouk has received a greetings message from His Excellency Mohammad Ziaul Haq, president of the Islamic Republic of Pakistan, on the occasion of the ninth founding anniversary of Democratic Kampuchea. The message read: On this auspicious occasion of Democratic Kampuchea's National Day, on behalf of the Pakistani Government and people and in my own name, I am very happy to extend my most sincere salutations to Samdech and the Kampuchean people. I am convinced that the heroic struggle waged by the Kampuchean patriots against foreign aggressors will win final victory. I wish Samdech good health and happiness and the Kampuchean people prosperity. Pleased accept my highest regards. [Signed] Ziaul Haq, president of the Islamic Republic of Pakistan. [Text] [BK191036 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 18 Apr 84]

MUBARAK GREETINGS TO SIHANOUK--Samdech Norodom Sihanouk, president of Democratic Kampuchea, recently received a congratulatory message on the occasion of the ninth founding anniversary of Democratic Kampuchea from His Excellency Mohammed Hosni Mubarak, president of the Arab Republic of Egypt. The message read: To Samdech Norodom Sihanouk, president of Democratic Kampuchea. On the occasion of the National Day of Democratic Kampuchea, I am very happy to extend most sincere congratulations to you. I wish you happiness and the friendly Kampuchean people prosperity. With highest regards. [Signed] Mohammed Hosni Mubarak. [Text] [BK240255 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 23 Apr 84]

CSO: 4212/48

BRIEFS

DELEGATION RETURNS FROM SRV--On the evening of 30 April, a delegation of Nationalities Committee led by Nhiavu Lobaliayao, member of the LPRP Central Committee and chairman of the committee, returned to Vientiane from Hanoi after concluding an official friendship visit to the SRV. During its 2-week [as heard] visit to the SRV, the Lao Nationalities Committee delegation paid curtesy calls on Vietnamese party and state leaders. It held discussions and exchanged views with the SRV Nationalities Committee delegation on the work. The Lao delegation also visited production bases and historical places of the SRV in the provinces. Everywhere our Lao delegation was warmly welcomed by fraternal Vietnamese authorities and people. [Text] [BK031029 Vientiane Domestic Service in Lao 0000 GMT 2 May 84]

LAO GUERRILLA ACTIONS--The Lao National Liberation Front guerrillas attacked the Vietnamese aggressors at the (Kreul) position on 16 April, killing four and wounding three. They attacked a Vietnamese enemy platoon at the (Phu Nhar) hamlet position which was a defensive position protecting Muang Mun District, Sithandon Province, on 20 April, killing five and wounding three. The Lao National Liberation Front guerrillas completely liberated this position. In sum, they killed or wounded 15 Vietnamese enemy aggressors. [Text] [BK031209 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 2 May 84]

COS: 4212/49

PHILIPPINES

CEBU EDITORIAL WELCOMES U.S. PRESSURE FOR CLEAN ELECTION

Cebu City VISAYAN HERALD in English 16 Apr 84 p 3

[Editorial: "American Pressure and the Last Chance"]

[Text] American pressure for a clean and honest election cannot be denied. Without apologies or regrets, this pressure is welcome for we know too well that if we are left to ourselves alone, we will never be able to have clean elections.

The indelible ink as part of the process of achieving clean election is American-inspired. There should be other facilities or gadgets, like the computer to count the votes.

And American pressure should also be applied through observation of the actual electoral process. On voting day there should be eyes and ears and on-the-spot coverages, otherwise all the noise about achieving clean elections will only be as hollow as all the official pronouncements toward this end: clean elections as only a mirage, within reach but never realized.

It is embarrassing for Filipinos to be in this circumstance but this election may be the last chance for peace in this country. And the big American investments and American interests in this country might just be blown off in a national catastrophe when justified anger and feeling of national futility will break the Filipino patience and stop him in the quest for a peaceful solution through democratic process.

CSO: 4200/697

METRO MANILA CANDIDATES ON ELECTION ISSUES

Quezon City VERITAS in English 22-28 Apr 84 p 6

[Article by Efren L. Danao: "Metro Manila Campaign--Harping on Performance, Focusing on Issues"]

[Text]

THE campaigns of the Opposition and the ruling Kilusang Bagong Lipunan (KBL) converge on only one point: that the performance of the Marcos administration is the main issue in the May 14 Batasan elections.

The same issue dominated the 1971 local and senatorial elections when a vote for Nacionalista Party (NP) candidates was considered a vote of confidence for the President. The results were disastrous for the President with the NP winning only two of the eight senate seats at stake.

Ernesto Maceda, a former executive secretary, placed seventh and Alejandro Almendras placed eighth to stop the Liberal Party juggernaut. Defense Minister Juan Ponce Enrile managed to place 12th only while Labor Minister Blas Ople placed 14th of 16 candidates. In Metro Manila and Rizal, only Manda Elizalde survived the LP steamroller while in Leyte, Mrs. Imelda R. Marcos' bailiwick, only three NPs won.

In the local elections, all candidates for Mayor in Metro Manila supported by the President lost. Ismael

Mathay Jr., official NP candidate in Quezon City, was third behind Norberto Amoranto, NP (Independent), and Charito Planas, LP. Mayor Antonio Villagas lost by a landslide to the LP bet, Ramon Bagatsing.

The Opposition then was greatly helped by public sympathy generated by the then-and-now still unsolved Plaza Miranda bombing on Aug. 21, 1971. Today, the Opposition is banking on public sympathy and outrage from the assassination of Sen. Benigno Aquino while in military custody last Aug. 21.

Will the Opposition win this May just as it did in 1971?

Veritas interviewed Opposition leaders for their assessment:

Ernesto Maceda, now UNIDO campaign manager for Metro Manila, believes so. "The sentiment of Metro Manilans is overwhelmingly against President Marcos and the KBL. At the most, the KBL will get only six of the 21 seats at stake in Metro Manila," he predicted although he declined to name who among the KBL bets will win.

Opposition candidates try to bring down the campaign issues to terms understandable to the common *tao*. Ex-Councilor Mel Lopez, a leading candidate in Manila, conceded that the President raised the minimum wage of P4 in 1965 to P32 today. "However, P4 then can buy a kilo of pork, a little rice, sugar, and other items, while P32 today is not even enough to buy a kilo of pork," Lopez stressed.

Joey Lina, youngest candidate in Manila, said that unemployment, rising prices, and problems like child prostitution are the "achievements" of the KBL. He called the government "the only one in the world" that boasts of having many workers abroad. "Others are ashamed if they cannot provide employment to their citizens at home," he said.

Economist Jun Simon, UNIDO candidate in Quezon City, said that if P2 bills are laid end to end, they would round the globe three times to approximate the amount of foreign loans secured by the government.

"If each of the 50 million Filipinos pays P1 a

day, our foreign loans will never be paid. If each pays P3 a day, it will still take us from the time of Moses before we can pay the loans, including interests and surcharges," Simon claimed.

Neptali Gonzales, UNIDO candidate for the San Juan-Mandaluyong seat, was even more graphic in his description of the alleged depth of misery into which the administration has plunged the Filipino people.

"Before, the intestines of chicken were chopped and fed to animals. Today, these are barbecued and sold for people to eat. *Ang dating pagkain ng mga hayop, kinakain na ngayon ng mga tao*," Gonzales lamented.

He added that sickly newly hatched chicks and chicken feet are now becoming popular fare of the masses. "We used to throw these away but we are not eating them because they are among the cheapest. *Galunggong*, which used to be the poor man's food, now costs P22 a kilo," he claimed.

The Opposition is also using the quality of the new five and 10-centavo coins and the quaint shape of the P2 coin to twit the administration.

Former Councilor Lito Puyat, a candidate in Manila, said: "Before, we used to drop a coin and hear it clink to know if it is not fake. Today, these coins make dull sounds like the old fakes. In fact, place them on water and they will float. The two-peso coin is unlike other coins in the world in that it has several sides. *Alam nyo ba kung bakit. Kasi, ito ay kinikil ng KBL*," he said.

Sen. Eva Estrada-Kalaw said that the KBL must explain to the people how

the country's foreign debt has soared to \$30 billion and why foreign creditors have so far refused to restructure these loans.

Independent poll surveys have ranked Kalaw, Lopez, and Puyat as sure winners in Manila. In Quezon City, opposition bets Cecilia Muñoz-Palma, Orly Mercado, and Francisco S. Tatad are frontrunners for the four city seats. Neptali Gonzales is given the edge over Assemblyman Ronaldo Zamora although Zamora enjoys a vastly superior organization and logistical support.

In the past, Gonzales has fought millionaires with formidable financial support and won. Among his moneyed opponents were Rufino D. Antonio and Felipe "Baby" Ysmael.

Former Comelec Chairman Jaime Ferrer is also holding his own against the KBL bet, Postmaster-General Roilo Golez. Ferrer is banking on his service record as Comelec head "during the time when the Comelec still knew how to count" and on the hundreds of Parañaque residents he helped send to Saudi Arabia and Diego Garcia "without charging a single centavo."

Ferrer called Golez "a good man" but he stressed that it is not Golez but the President that is his opponent.

Maceda stressed that the Opposition's sweep of the elections in Metro Manila hinges on the proper conduct of the elections. "If the elections represent the sovereign will of the people, we will win hands down," Maceda stressed.

Maceda said that the problem of flying voters has been eased with the Comelec decision to use indelible ink which remains on the thumb for at least 24 hours.

PRESIDENT'S INABILITY TO DISSOLVE BATASAN REASSURED

Davao City PEOPLE'S DAILY FORUM in English 14 Apr 84 pp 1, 7

[Text] President Ferdinand E. Marcos has "no absolute power to dissolve" the Batasan Pambansa as soon as it convenes after the proclamation of winners in the May 14 polls.

This was the gist of Atty. Douglas "Dodo" Cagas' remarks when asked about the power of the President to dissolve the legislative body by virtue of Amendment No. 6 of the Constitution.

Marcos, in conscience, according to Cagas cannot just obliterate the existence of the Batasan Pambansa without getting strong opposition from his constituents who are themselves elected by the populace.

Cagas' contention further refuted the dissolution power by arguing that no President, even if armed with Amendment No. 6, can easily efface the legislative body for in so doing he is literally desecrating the popular will which is expressed through the ballots.

Other arguments advanced by Cagas include the initiation of impeachment proceedings against President Marcos as soon as the Batasan convenes and when a good majority of the opposition comprises the legislative body. He said that while impeachment is on pendency, the President cannot dissolve the Batasan, hence he cannot use his "superpower" over any government institution.

Cagas clarified that dissolution per se can only be done by the President eighteen months after the elections and eighteen months before the next elections of the Assembly. This means the opposition has enough time to compel the President from desisting any act which will undermine the potency of the legislative body specially in cases where the opposition forms part of the majority.

He further argued that no KBL legislator constitutionally elected by the people will ever succumb to the desire of one man unless the lawmaker is not chosen by election and properly proclaimed by the Commission on Election.

CSO: 4200/709

CAPTURED REBEL DESCRIBES 'SEEPING' NAP 'POWER RIFT'

Davao City PEOPLE's DAILY FORUM in English 16 Apr 84 pp 1, 6

[Text] KORONADAL, South Cotabato--A 24-year-old communist rebel caught ferrying firearms by government soldiers ten days ago today said the NAP is rocked by a violent power struggle.

Gil Billones, a resident of Sto. Nino this province was nabbed by a joint 456th PC Company-PC/INP team in sitio Lunin in Tupi southwest of here. Confiscated from him was a .38 cal. Squires-Bingham revolver, two home-made pistols with 6 live bullets and voluminous subversive documents.

Billones added that the power rift is seeping into the NPA ranks, affecting couriers and foot soldiers "who are now starting to realize they are being used as tools by their power-hungry leaders." He said the "crack in the NPA leadership" was first seen late September last year--less than a month after the Aquino slaying.

It was caused mainly by the growing resistance of some members to the conduct of atrocity campaigns in their hometowns coupled with the stubborn refusal of corn farmers to give temporary refuge and pay taxes to the subversive movement, Billones revealed.

"That is why we are not half as successful as our comrades in Surigao del Sur," he added. Three of the highest ranking leaders of the movement are operating in that province.

Billones, who headed a small logistics unit at the time of his capture, likewise revealed how numerous attempts to snatch firearms from policemen and government soldiers were aborted because "there were conflicting views in handling such operations." He said the vaunted hitting capability of the Sparrow units is overblown, saying it was more of the difficulty on the part of military to identify its members.

Asked about his plans, Billones said it's difficult to say, "I don't know what will become of me." However, he confessed that his captors treat him well, almost like a younger brother.

CSIL 4209/709

CAPTURED NPA PAPERS REVEAL FUNDING FROM MASIAO, DRUG TRADE

Davao City PEOPLE'S DAILY FORUM in English 22 Apr 84 pp 1, 7

[Text] Captured NPA documents seized during the recent raid at Belisario Heights disclosed several operation activities of the terrorists aside from disrupting the May 14 elections.

This was disclosed today by Col. Geronimo G. Valderrama, Metrodiscom commander, as more documents were declassified today.

The raid at Belisario Heights, Bajada, Davao city, was conducted by elements of the Sasa Patrol station under Lt. Felicisimo Balangauan, the Philippine Marines led by Capt. Rogelio Infante and the INP Field Force headed by Capt. Cesar Bautista.

The raiding team captured Pantaleon Farase y Dumlao, 22, known also as alias Sandoz, Dart and Jesse, and Rodolfo Priego y Maglangit, 26, alias Dodong. Both are natives of Makilala, North Cotabato.

Farase and Preigo are members of the Davao Provincial Committee of the Communist Party of the Philippines. They were arrested inside the house of Elpidio Ybanez.

The raid yielded two hand-grenades, a .45 caliber pistol and voluminous documents. The declassified documents showed that the NPAs, the military arm of the CPP plans to disrupt the Batasan elections by fomenting boycott rallies and grabbing of ballot boxes.

The documents also showed that the terrorists are involved in the illegal game of masiao and drug peddling. NPA members act as masiao ushers to freely go to any place in the city and also to collect share of the bets from the masiao financiers to fund the subversion movement.

Drug peddling, particularly, marijuana, is one of the main sources of funds for the NPA.

Col. Valderrama said that he is recommending to higher headquarters commendations and awards for Capt. Infante, Capt. Bautista and Lt. Balangauan.

CSO: 4200/709

DETAILS ON SUGAR TRADE POSTPONEMENT, BENEDICTO'S RESISTANCE

Davao City PEOPLE'S DAILY FORUM in English 22 Apr 84 pp 8, 7

[Text] President Marcos has signed a new decree postponing the implementation of free trading in sugar to after the end of this crop year.

The reason is that "additional time" is needed for the Philippine Sugar Commission (Philsucom) to work out "appropriate and adequate measures and arrangements" to assure "efficient implementation of the new system.

An earlier decree, PD No. 1905, had authorized Philsucom to carry out the same adjustments for the new system not later than last March 15.

The new decree extends the period given to Philsucom to Aug. 31 to provide the adjustments for the new system.

PD 1918 became effective last Apr. 11 but industry sources told Business Day the President signed it only last Monday afternoon.

Talks were rife at the start of this month that the President would defer implementation of the free sugar trading system (see Business Day, Apr. 6, 1984).

VICTORY. Sugar producers consider the postponement a victory after what looked like a futile effort to make government listen.

Philsucom chairman Roberto S. Benedicto said in a public hearing last Feb. 15 when government announced the plan to go into free sugar trading: "The earlier we stop this, the better for everybody."

Visibly angry, he continued, "There was no request for transition, that we delay or continue with Nasutra under the present system. The only demand was for free trading, so why the clamor?" With that, he rejected producers' requests for a transition period.

The Philippine Sugar Association (PSA) is being credited by sources as having turned the tide.

A grouping of 16 privately-owned mills, PSA wrote President Marcos last March 30 to bring to his attention "the crucial, developments tending to destabilize the sugar industry."

A request made in that letter was granted by the new decree: the extension to Aug. 31 of the effectivity of PD 1905.

The PSA wrote the President: "There are more than 50,000 sugar producers affected by this presidential decree and as of this writing, not all of them shall even have received the 'Contract to Sell' distributed by Nasutra (National Sugar Trading Corp.).

"So, in the meantime, their sugar is not being sold. Therefore, harvesting/ planting and milling operations are disrupted. It is reasonable to expect that by now less than 10% of the planters shall have signed up with Nasutra."

OTHER REQUESTS. Two other requests submitted to the President in the same letter have not yet been acted upon.

One was for the producers to be immediately allowed to sell their domestic sugar freely and their export sugar to Nasutra so Nasutra can fulfill its long-term contracts.

"These long-term contracts must first be serviced with Philippine sugar," the PSA said.

The other request was that after Nasutra shall have complied with its current long-term contracts. The producers be allowed to engage in free sugar trading and sell their sugar to any trader of their choice, including Nasutra.

The PSA told the President the following groups, among others, agreed with its position: The La Carlota Planters Association, the Barotac-Dumangas Planters Association, the Associated Planters of Silay-Saravia, Inc., the Asociacion de Hacenderos de Silay-Saravia, the Hawaiian-Philippines Planters Association, Inc., the First Farmers Association, the Ma-ao Planters Association, Inc., the Central Lopez Planters Association, and the Bacolod-Murcia Sugar Farmers' Corp.

The millers' association also cited an open letter of the Concerned Sugar Producers of the Philippines and an appeal of various Batangas planters' groups, both addressed to him, and a memorandum of Tarlac Gov. Homobono Sawit addressed to Philsucom chairman Roberto S. Benedicto.

"We come to you with the firm belief that you are as much concerned as we are in maintaining the stability of the sugar industry for reasons that millions of our countrymen depend upon it for their livelihood and to preserve the importance of the sugar industry to our national economy," the PSA wrote the President.

EFFECT. The most obvious effect of the postponement of free sugar trading is that Nasutra can no longer hold up its long-term export contracts as a bait to attract producers to sign up with it.

These export contracts are slated to expire by the end of this crop year and set an average price of 23.5 cents per pound of sugar.

This price is about four times higher than the present world market price of 6 to 7 cents per pound.

The second obvious effect is that producers are given time to reestablish their own contacts abroad and arrange for the shipping and warehousing of sugar when they go into free trading in crop year 1984-85.

CSO: 4200/709

CENSORED DIOKNO TV APPEARANCE REPORTED

Quezon City VERITAS in English 1-7 Apr 84 p 8

[Text]

THE last time former Senator Jose W. Diokno was on local TV was two days before the declaration of Martial Law. Since then, the prominent oppositionist has not been seen on the air, "except for brief appearances on newscasts," he says. That is, if you don't count his host's role in the BBC documentary "The Third Eye," which was not allowed on local airlines, either.

Last March 19, Diokno found himself in the same studios where he last made his appearance. He came as guest of the show *Ms. Ellaneous*, produced by MBS Productions and aired over Channel 4. "He was already getting ready for the interview, in fact, they were putting make-up on him already," reveals Cristy Lopez, who helped arrange the interview with Diokno and was with him at the Channel 4 studios that night. "Ten minutes before air time, we were told

that the transmission was off." The Diokno interview, *Ms. Ellaneous*, and the rest of the Channel 4 shows for that Monday night were not aired.

Subsequent efforts to push through with the Diokno interview, along with a pre-taped interview with Ms. Eva Estrada Kalaw on participation (Diokno was to speak on the boycott movement), proved futile.

In a letter sent to the former senator last March 21, Ma-an Hontiveros, *Ms. Ellaneous* producer, said she "had been informed by MBS-4 management that discussions on political issues are not permitted on *Ms. Ellaneous* as they belong only to shows specifically produced for public affairs purposes. . . MBS-4 reserves its editorial rights over all shows aired in this channel and it is their present policy not to grant airtime to political parties during this period prior to the May elections."

In the same letter, Hontiveros said that Channel 4 management explained that the transmission blackout on the 19th was caused by a breakdown of the transmitter which tripped "possibly due to the airconditioning problems of MBS-4."

ASKED for his comment, Diokno shrugged off the incident, saying "it is just part of the usual treatment you can expect from this type of government." He added that the incident "merely shows the true extent of the so-called freedom of the press."

"For us it seems too coincidental," notes Lopez, citing sources who claimed that the March 19 incident was the first time Channel 4 went off the air since its establishment. "The blackout, I believe was an act of panic," says

Diokno, "but this letter makes clear that Channel 4 exercises censorship." He is not covered by the policy, claims the former senator, "since I do not belong to any political party. When are they going to grant us in the boycott movement air time, after the May elections?"

Veritas tried to reach Antonio Barreiro, acting station manager of MBS-4, but his secretary said he was not available, and they did not know where to reach him at the moment. Neither were other officials at Channel 4 available for their comments. RJD

DEPUTY JUSTICE MINISTER ON POSSIBILITY GORE CHARGES MAY BE DROPPED

Melbourne THE AGE in English 6 Apr 84 p 8

[Article by Michael Richardson]

[Text]

SINGAPORE, 5 April. — The Philippines Government is prepared to consider dropping all charges against the Australian Roman Catholic missionary, Father Brian Gore.

The Deputy Minister of Justice, Mr Jesus Borromeo, told 'The Age' by phone from Manila today that defence lawyers in a multiple murder case involving Father Gore, two other priests and six Filipino Catholic lay workers, would have to submit to the Justice Ministry for review all the documentary evidence they planned to present in court.

"If they show us their evidence and if we are satisfied it can overcome the prosecution's evidence, we will file a *nolle prosequi* — the proper motion for a dismissal of charges."

If it was decided to drop the multiple murder case, Mr Borromeo said he thought other charges of inciting to rebellion and illegal possession of explosives and ammunition brought against Father Gore by military authorities in the central Philippines would also have to be dropped.

"It doesn't serve any purpose if you just drop this (the murder charge) and leave the others behind," Mr Borromeo said. "It should be an entire matter."

He said that if the charges were dropped there would be no imputation of guilt. If Father Gore and Father Niall O'Brien, an Irish priest, accused in the murder case, subsequently left the Philippines, the authorities would ensure there was no harassment of the seven Filipino defendants remaining behind.

Mr Borromeo's comments appear to meet the basic conditions for a speedy out of court settlement of the case proposed by Father Gore and his co-accused after the Foreign Minister, Mr Hayden, raised the issue with President Marcos during a visit to Manila in February.

Settlement of the case, which has dragged on for months and strained relations between Australia and the Philippines, could come in the next few days. The trial resumed today in the central Philippines city of Bacolod. The prosecution said earlier this week it would probably finish presenting its evidence today.

Mr Borromeo said defence lawyers had advised him they intended to submit all their documentary evidence — including papers from an airline to show that Father O'Brien was hundreds of kilometres away in the northern Philippines when the ambush murder occurred — but had not presented all of it yet.

They would need to agree with the prosecution to recess the hearing before the prosecution rested its case to give them the time they needed to gather the remaining evidence for review. He said such a review would be made by the prosecution and the chief State Prosecutor in Manila. Mr Borromeo said he would also take part in the review which could be finished in a "matter of days".

He said an alternative was to let the hearing go ahead, with the defence presenting all its evidence in court.

Defence lawyers could also ask the judge for a dismissal of the case on the grounds that the prosecution's evidence was insufficient to prove guilt. "But they would be at a disadvantage because they would still have none of their own evidence before the court," Mr Borromeo added.

CSO: 4200/673

LOPEZ: PRESENT REGIME INCONGRUOUS WITH BATAAN DAY SPIRIT

Quezon City VERITAS in English 22-28 Apr 84 p 4

[Commentary by Salvador P. Lopez in the "In the Light of Truth" column: "An Embarrassing Paradox"]

[Text]

QUIETLY, without fanfare, April 9 has come and gone. Almost unnoticed, this year's observance of Bataan Day seemed like a footnote in a chapter of Philippine history that has become somewhat irrelevant.

The newspapers duly reported the one happening that had marked the occasion: surrounded by the usual cohorts, President Marcos had sallied forth to the Dambana ng Kagitingan, on Mt. Samat, and there intoned his annual panegyric to Filipino courage, patriotism, and love of freedom. And that was it.

What has happened to that historic event? When it was first announced over the Voice of Freedom on Corregidor, on April 9, 1942, the fall of Bataan had made a whole nation weep in rage and sorrow, and aroused the sympathy of the entire free world. Now, after a lapse of 42 years, it seems to have become just one more defeat among the many that have marked the struggle of the Filipino people for freedom ever since the Battle of Mactan, in 1521 — the first of the very few that they have won.

What seems to have happened is that the observance of Bataan Day has become an embarrassing paradox. Bataan, if it means anything at all, signifies for the Filipino people an act of supreme sacrifice in defense of liberty. Side by side with their American allies, they had stood unflinching on the beaches of Luzon and in the jungles of Bataan to resist the Japanese invaders. Cut off from all sources of outside help, decimated by hunger and disease that disabled and killed more of them than were felled by enemy bombs or bullets, the Filipino and American troops were ob-

liged after three months of futile combat to lay down their arms.

The hastily scribbled notes in my Corregidor diary for that day read as follows: "Hundreds of ragged Filipino and American soldiers lying on tunnel floor. They came in last night, swimming on spars, or on rafts and bancas — anything that floated — across the straits ... Barely escaped death or capture. They said formal surrender by General King expected momentarily. ... Towards noon, the message came from King's headquarters: He had surrendered to General Yamashita only a short time before. ... Eerie silence in General Wainwright's headquarters in the Corregidor tunnel. ... At the desk of Major Kenneth Sauer, Chief PRO, in charge of the Voice of Freedom, the Filipino members — Lt. Leon Ma. Guerrero, Lt. Norman Reyes, and I — discussed the announcement of the fall. I was asked to prepare the text. Mechanically, I placed a sheet of paper on the typewriter and began: 'Bataan has fallen' ..."

The text of the historic announcement ended with the same words, but were tipped with defiance: "Bataan has fallen. But the spirit that made it stand — a beacon to all the liberty-loving peoples of the world — shall not fall."

If that concluding sentence accurately defined the "spirit of Bataan" — and everybody seems agreed that it did and still does — then it becomes easier to understand why our people have shown a certain diffidence or indifference towards the observance of Bataan Day in recent years, particularly since 1972. They seem to have realized that a certain incongruity exists between the

"spirit of Bataan" which was dedicated to the defence of the rights and liberties of the Filipino people, and the very nature and purpose of the existing regime which has deprived them of those rights and liberties. That incongruity becomes irony, and the irony comes dangerously close to travesty when the spirit of Bataan is invoked by none other than by the former Lieutenant Ferdinand E. Marcos, himself a hero of Bataan, who has become by coincidence leader of a twelve-year-old dictatorial regime.

The irony approaches caricature when you consider one other significant detail of the picture: as in Bataan, in 1942, so today, in 1984, the Americans are powerfully involved. This time, however, there is a difference: it is not entirely clear whether they are fighting for or against freedom — the freedom, that is, of the Filipino people. On Bataan, at least, there was not a shred of doubt about that. Today, their chief concern seems rather to keep the military bases, even if that could place them, apparently or momentarily, on the side of dictatorship and against freedom.

It's perhaps just as well that this year, the American Ambassador, together with the Japanese Ambassador, was not asked, as he had been asked in previous years, to join President Marcos in the Mt. Samat ritual. The year 1984 has somehow not seemed propitious for the traditional ceremonial which President Marcos established in a happier

time, under more auspicious circumstances. In April 1984, in the middle of the most punishing national crisis in memory, eight months after the Aquino assassination, and one month before the May elections, the ceremonial in its old tripartite format could have bordered on the ludicrous.

As for those who would quibble and say that it is absurd to place the Filipino regime of the New Society on a level with the colonial regimes under Spain, the United States or Japan, we would simply recall that there indeed is such a thing as "internal colonialism." Does it really matter to the oppressed that the oppressor happens to be Spanish, American, Japanese or Filipino? If anything, oppression at the hands of a brother Filipino is infinitely harder to bear than one imposed by a complete stranger.

* * *

So, in this topsy-turvy world, we are left to wonder about the true meaning of Bataan and the real significance of words like freedom, independence, human dignity and fundamental human rights. These words and phrases are being used to mean the opposite of what they normally signify. Even the Battle of Bataan is being stood on its head.

This must indeed be George Orwell's 1984 — and it's not pure fiction either.

Total Retail Sales (According to economic form)

Year	Total volume	State- owned	Collec- tive owned	Joint ven- tures	Indivi- dual	Retail sales from peasants to nonagri- cultural popula- tion
Absolute amount (100 million yuan)						
1952	276.8	95.3		1.1	168.6	11.8
1957	474.2	294.3	77.8	76.0	12.9	13.2
1965	670.3	558.5	86.3		12.5	13.0
1978	1,558.6	1,410.1	115.3		2.1	31.1
1979	1,800.0	1,588.9	159.3		4.3	47.5
1980	2,140.0	1,797.8	257.8	0.4	15.0	69.0
1981	2,350.0	1,880.6	341.5	1.1	37.4	89.4
1982	2,570.0	1,968.6	414.4	1.6	74.6	110.8
1983	2,849.4	2,054.4	473.9	3.6	184.5	133.0
Proportion (percent)						
1952	100.0	34.4		0.4	60.9	4.3
1957	100.0	62.1	16.4	16.0	2.7	2.8
1965	100.0	83.3	12.9		1.9	1.9
1978	100.0	90.5	7.4		0.1	2.0
1979	100.0	88.8	8.9		0.2	2.6
1980	100.0	84.0	12.1		0.7	3.2
1981	100.0	80.0	14.5	0.1	1.6	3.8
1982	100.0	76.6	16.1	0.1	2.9	4.3
1983	100.0	72.1	16.6	0.1	6.5	4.7

Note: The state sector includes state-owned units and supply and marketing cooperatives. Joint venture before 1956 refers to joint public-private venture; after 1981, it includes the joint ventures of various economic forms as well as Chinese and foreign joint investment. Individual venture in 1952 and 1957 includes private enterprise operation.

Mr Cristobal agreed that there was a need for an explanation from Mr Marcos. He said he would consult with the President. But he did not return with an answer.

A spokesman for the office of the Prime Minister, Mr Cesar Virata, said nobody bothered to ask about Mr Elizalde because "he hardly attends any Cabinet meeting anyway."

Several of his business associates believed that Mr Elizalde did not want to have to account for his business dealings if the Marcos Government fell in the precarious months after the Aquino assassination.

A close associate said Mr Elizalde informed Mr Marcos before he left the country.

Mr Elizalde is the son of a prominent businessman of Spanish descent. His family has extensive interests in sugar, hemp, mines, and distilleries.

In a public quarrel the Elizalde family fortune was split but soon Manuel Elizalde sold some of his businesses and others collapsed.

The close associate said the minister had "sold everything he had in the Philippines."

"He has nothing to come back to," he said.

Mr Elizalde is still the chairman and president of North Davao Mining, which, said sources, owed more than \$A159 million to various banks.

CSO: 4200/673

DAVAO COLUMNIST ON POSSIBLE KBL-BOYCOTT LINKS

Davao City THE PEOPLE'S DAILY FORUM in English 12 Apr 84 p 7

[Commentary by Tony VN. Figueroa in the "Footprints" column: "Boycott-KBL Connection"]

[Text] One will shudder at the thought that in Manila, boycott has been reportedly supported by the ruling party. There has never been a strong evidence linking the KBL to this so-so connection. Many, however, are wont to believe that if this thing, or "perversion," is done, the opposition will have their necks deep in the mud. It will mean, in brief, that the anti-administration candidates will lose a lot of following.

There is no doubt that the strengthening of boycott in any part of the country will, in effect, mean defeat for the opposition. No less than the number of voters will be affected, but also the overall percentage it will have in the final tally.

Presupposing that KBL is having an "unholy alliance" with boycotters, how come that the opposition themselves have not known about this? And for KBL to assuage people to support KBL, although remote, is tantamount to accepting the potency of the opposition.

There are speculations, however, that this boycott-KBL connection may have been surreptitiously created to further sag an already drooping image of the opposition. No doubt the stakes are high in this kind of gambit, but in the long run, if proven, the ruling party may just have to remark that this strategy shall have not been employed.

Even in Davao City, porch lizards that loiter among coffeeshops find an inkling of truth in this analogy. And this is one aspect which the opposition needs deeper comprehension and investigation. The aftermath of the ploy may just be too radical that the hiatus between the boycotters and the participating opposition will widen even more.

CSO: 4200/697

VERITAS: VER'S TESTIMONY FAILS TO ANSWER QUESTIONS

Quezon City VERITAS in English 22-28 Apr 84 p 4

[Editorial: "The General's Testimony"]

[Text] When General Fabian C. Ver, AFP Chief of Staff, testified before the Agrava Board earlier this month, he said that the killing of Ninoy Aquino was most probably part of a Communist conspiracy to overthrow the government. This was nothing new, being the Malacanang-military view of the August 21 murder at the airport expressed last year yet by President Marcos, General Prospero Olivas and other authorities.

Just the same, General Ver's testimony did not fail to stir the interest of all who seek the truth, and nothing but, concerning the Aquino assassination. And again they ask: Why the utter failure of Oplan Balik bayan? Why, in spite of such elaborate security arrangements, was the triggerman, Communist, capitalist or whoever, able to approach Ninoy and shoot him at point-blank range? How much did the entire operation, including efforts starting as early as February 1983, according to the General, to track down the plotters, cost our practically bankrupt government or should we say the wretched, taxpaying public? How ill-trained are military units assigned to airport security and similar duties? What lessons, if any, did our generals and colonels learn from the tragic fiasco?

These and other questions need to be answered to the public's satisfaction, if only to insure that the next Opposition VIP or foreign dignitary to deplane at the MIA will not be meted out the same fate, and further tarnish the image of our dear AFP, not to say Philippine democracy.

CSO: 4200/697

TEACHERS' PAY HIKE SEEN AS 'POLITICALLY MOTIVATED'

Quezon City VERITAS in English 22-28 Apr 84 p 2

[Article by Patricia L. Adversario: "A Bundle of Benefits From Imelda"]

[Text] After months of lobbying and waiting for salary increases, government employees including public school teachers in Metro Manila were finally granted their demands.

Timed one month before the election, Metro Manila Governor Mrs Imelda R. Marcos signed Executive Order 84-02 granting a 10% across the board salary hike for them.

The salary increase, which is described by a teacher as the latest "obviously politically motivated move" since the campaign period for the May election began, follows closely the recent issuance of fishpen permits for the Laguna fishermen. Over the past weeks, the public sector has received a bundle of benefits from the government ranging from rally allowances to new roads and bridges.

The pay hike confirms what government officials had been hinting at to teachers' groups since early this year in an effort to pacify them.

But the salary increase will still depend on the availability of funds in each city or municipality. Relatively affluent areas like Manila, Quezon City and Makati could well afford to give the salary hike, but Caloocan, Pasay and Pateros may be hard put to deliver on the promise.

Sources from the MMC finance office said that at present in these financially hardup municipalities, salary differentials due since 1982 have only been partially paid.

The salary increase which should take effect in all of Metro Manila could result in unwanted resentment among government employees in the poorer municipalities who will not be able to receive the raise as ordered.

Denying political motives, MMC sources claimed that the relatively unequal financial positions of Metro Manila's 13 cities and municipalities was precisely the reason why MMC held off petitions for a salary hike since last year.

Public school teacher-leaders, however, view the salary hike as an "obvious" campaign strategy, a form of bribery to compel them to serve in the polls. The government is really after political impact, the gesture is not a sign of a sincere desire to respond to our needs, the teachers said.

Meanwhile, the Manila Public School Teachers Association, an organization of 17,000 Manila teachers warned that if it finds that the coming election is not going to be a clean and honest one, they will refuse to serve and will not vote in the coming election.

"Some of us now are beginning to be convinced by the arguments of the boycott movement. Our integrity as teachers is at stake here and we are not going to be a part of any fraud," Alejandro Capati, MPSTA president said.

Manila teacher candidate to the Batasan and former MPSTA president Federico Ricafort has withdrawn his candidacy. He said there is no chance for fairplay and a clean campaign, what with the way the ruling party is using its money and power to its advantage.

While the government has assured "ample" protection from any form of harassment to the teachers who will serve in the polls, it has not been as generous to teachers who seek exemption from service in the 1984 elections.

Teachers fear possible harassment from regional MECS and COMELEC officials should they reject their appointment to the citizens elections committee.

The issue here concerns the individual's basic freedom; the government should respect the stand of those who seek exemption from poll service on May 13, the Alliance of Concerned Teachers said.

Referring to assurances of adequate insurance coverage, the teachers said, "We'd rather live as underpaid teachers than be P100,000 richer but dead."

It is precisely because of the murder of a school teacher in Zamboanga del Sur that some teachers are batting for demilitarized polls as "the opposite only increases the risk and possibility of violence." Rebels who need the army's guns will only have more reasons to ambush the guards assigned at poll precincts, said a school division supervisor from Pagadian, Zamboanga del Sur.

CSO: 4200/697

MARCOS PARK DISPLACES IBALOI TRIBAL FAMILIES

Details Given

Quezon City VERITAS in English 15-21 Apr 84 p 10

[Article by Gigi Oyog: "A Park for Marcos Brings Grief to the Ibalois"]

[Text] The Marcos Park and Golf Course in Tuba, Benguet, may afford pleasure-seekers hours of fun. But for 81 Ibaloi families, there is not the slightest consolation in that.

Immeasurable was the pain and sense of loss when they were made to surrender all 355 hectares of their agricultural and pasture lands to the Ministry of Tourism for the Park.

These Ibaloi families had always made productive use of their lands--lands they inherited from forefathers and hoped to pass on to their children. They planted rice, sweet potato, taro, beans, corn and other crops. Their fruit-bearing trees provided them with mangoes, pomelo, jackfruit, coconuts, and avocados. They raised chickens and pigs. They had pasture lands for their cattle and carabaos.

Thus were the 300 Ibaloi tribesmen sustained by the life-giving qualities of their lands and by their own industry.

But the joint teams of the Ministry of Tourism and the Philippine Tourism Authority had other ideas. In 1975 they set out to acquire the Ibaloi lands for the park and provide the moneyed, the idle, the adventurous and the athletic another haven for play.

The Marcos Park, reportedly costing P72 million to build, is almost complete and is now open to the public. Its sports and recreational facilities include an 18-hole golf course, a swimming pool, a clubhouse and a hostel. But the outstanding feature of this park is a monumental bust of President Marcos.

The 90-foot bust has raised many eyebrows. Not a few of the citizenry were aghast at the temerity of its originators to honor a man still alive. Still others were indignant at such waste of precious pesos--according to some sources, at least P9 million.

Reportedly behind this project were Tourism Minister Jose D. Aspiras and PTA General Manager Bernardo Vergara. Both were supposedly prodded by Ilocano balikbayans who insisted on honoring President Marcos, and helped fund the monumental project.

The bust itself is a six-inch-thick cement shell propped up inside by reinforced steel bars. It can reportedly withstand earthquakes up to intensity 7. Sources insist that President Marcos himself had nothing to do with the idea and the construction, but in the same breath hinted that he may have given his tacit approval.

The MOT-PTA would say that the project was not implemented with total disregard for 81 affected Ibaloi families. As Vergara said, "The project will bring amelioration for the people of the community from their age-old disadvantages of isolation."

Still the Ibalois opposed the park and made known their feelings to President Marcos in a letter but the latter made no reply. In 1976, Tourism Minister Aspiras, top military officers from La Union, and 20 PC troopers went to Taloy Sur. As reported in the Sep. 30, 1978 issue of the GOLD ORE, Aspiras told the Ibalois to choose between full payment for their lands or expropriation without compensation.

Taloy folk swear to have been forced or tricked into signing documents which turned out to be deeds of sale automatically transferring their lands to the PTA.

Aspiras denied these allegations in the same issue of the GOLD ORE.

"My God, I never forced them," Aspiras said. "And I have not seen any PC soldiers intimidating anyone. I went there to ask the Ibalois to give some of their lands for the Marcos Park."

He said that his plan was drafted with the people's welfare in mind. "It is my way of helping them. This statement about expropriation without pay is crazy. The statement itself is false. If you expropriate, you pay."

He said the affected families had not paid their land taxes and some of the lands were mortgaged. He added that the PTA had settled all these obligations.

"Since this is a perfect and legally consummated sale, we will go through with our plans in the area," said Aspiras. "If these complaints just happen to be along the way, then we will exercise the powers of the government."

According to the Cordillera Studies Center in Baguio City, the Ibalois were only paid P1.00 per square meter for tax declared lands, P1.50 per square meter for titled lands, and P.20 per square meter for untitled lands.

Relocation of the displaced Ibalois came in the form of 45 cogon huts within the park. The relocation project was partly spurred by the idea of providing tourists with an authentic Igorot village.

But the Ibalois refused to move into the huts. They said that the huts were built so close together that there was no space for backyard farming. There was no electricity and no water as promised.

Moreover, the huts did not quite come up to par with the Ibalois' former houses which were bigger and made of wood and galvanized iron sheets. Built on an eroding mountain slope, the huts have already broken down and only the families of park workers live in them.

The PTA also promised to employ the heads of the Ibaloi families as caddies and gardeners. They receive P24.35 for an eight-hour working day and are not permanent workers.

The PTA also promised to replace the Ibalois' school building which was transformed into a staff house. Aspiras is said to have promised two school buildings. But to this day, a new school house has yet to be constructed. One of the cogon huts now serves as a makeshift school building accommodating only Grades 1 to 4. The fifth and sixth graders have to walk some three kilometers to Pugo, La Union, or Taloy Central for their classes.

Of the original 81 Ibaloi families, only 32 have remained in Taloy Sur, living under harsher circumstances in the surrounding areas outside the park.

One Ibaloi father said that he used to own seven hectares. Today he is left with only a hectare on which his house stands. To add to his meager income, he cultivates an adjoining plot of land that belongs to a cousin.

He said, "We could get more there (in the park) because the lands were irrigated."

Other Ibaloi folk spoke with the same dejection. "It could have been better if we had our own lands," said one of them. "Now, we only have a house but no land to till. We have children to send to school."

"We were paid a pitiful amount. It was not enough to buy a house and even a small garden. We had to add to this amount ourselves."

The Episcopal Commission on Tribal Filipinos recorded the experience of another Ibaloi family. This family owned two and a half hectares, half of which was irrigated and planted to rice, beans, pepper, corn and onions. Excess rice and vegetables were sold in Baguio and La Union, earning them P4000-5000 a year. They had trees bearing mangoes, suha, coconuts and jackfruit for their own consumption. The sale of surplus fruit from their five mango trees earned them P500 a season.

The Marcos Park has since replaced the Ibalois' food crops with bermuda grass.

The Ibaloi families which have resettled on the perimeters of the park were also forbidden by park authorities to bring their cows to the Lipanay Creek atop a mountain. The park authorities were apparently afraid that the water which flows down to a pond in the park would be polluted by the cattle.

The Ibaloi tribesmen have known only too well their worth and importance in the eyes of the government. In the 1960s, the Ambuklao and Binga dams drowned the homes and lands of several hundred Ibaloi families. Today, they are still waiting for the government to fulfill its promises of relocation.

And now this park which has once more dispossessed them, and for a much more questionable purpose.

The Ibalois are a peaceful, hardworking, hospitable, even submissive people, "able to push themselves back into deeper fastnesses," as Felix M. Keesing has described in "The Ethnohistory of Northern Luzon" (1962). Such qualities may well be their undoing. For to the powers-that-be, their inadequacies and weaknesses have only made the task of depriving them of their patrimony so much easier.

That they were reluctant to relate their stories even to sympathetic research groups until only a few years ago reveals deep-seated fright and hurt.

And somewhere above their heads towers an enormous face that seemingly says to them, "I'm looking down on but not after you."

More 'Mt Rushmore' Projects

Quezon City VERITAS in English 15-21 Apr 84 p 10

[Article by Mary Carolyn O. Agruillas: "Marcos Face To Launch More Stone Visages"]

[Text] That Marcos Face atop Maliligayang Bundok at Bauang, La Union is using the face that would launch more Presidential faces atop mountains of national parks. A more Pinoy "Mt. Rushmore."

No, it's not because of the public outcry against that expensive gigantic carving. Certainly not, argues Tourism Minister Jose D. Aspiras, but his recent disclosure that Presidential faces on the mountains of national parks are part of a 15-year project started in 1978, coincidentally came in the wake of mounting public criticism of that mammoth monolith.

Maliligayang Bundok, at Marcos Park, Marcos Highway, Bo. Palina, Pugo, Bauang, La Union, will accommodate aside from Marcos, the carved visages of Ilocano Presidents Elpidio Quirino and Ramon Magsaysay, while Visayan Presidents Carlos P. Garcia, Manuel Roxas and Sergio Osmena, Sr., will be at Mt. Kan-irag in Cebu. Tagalog Presidents Manuel L. Quezon, Emilio Aguinaldo and Jose Laurel will be at Mt. Makiling and Diosdado Macapagal's will be at Mt. Arayat, Aspiras said, in an interview in Bauang.

The local "Mt. Rushmore" project, the Minister said, is financed by public subscription and partly by the Ministry of Tourism. "It will be good for the country, for posterity, as a tourist attraction and as a historical landmark," Aspiras explained.

When asked how much the Ministry is spending for the project, Aspiras said he didn't know. "All I know is that it is minimal." Aspiras added that the Marcos Face is his "weakest point because I started with Marcos. I shouldn't have started with Marcos. But you see, the Ilocanos, specially those balikbayan Ilocanos who donated money, specifically wanted Marcos to be the first."

The Minister said the Marcos Face is not yet finished as the entire "Mt. Rushmore" project has been suspended.

The Marcos Face overlooks the pyramid-shaped Marcos Golf Clubhouse building, the 65-hectare golf course and the 360-hectare Marcos Park.

Rudy Sanchez, manager of the Marcos Park Project, claims that the Marcos Face is already finished although the scaffoldings still cover the Marcos mouth. While it is part of the highway beautification project of which he is also the project manager, he says he does not know how much the Marcos Face costs.

Local sources say that the Face is hollow inside and that it will be made into an observatory. With the reported suspension of the project, a joke in La Union refers to the Maliligayang Bundok as "Mt. Cash-no-more."

CSO: 4200/673

PALAWAN ASSEMBLY CAMPAIGN MARRED BY GUNMEN

Quezon City VERITAS in English 22-28 Apr 84 p 11

[Article by Mary Carolyn O. Arguillas: "Report From Palawan: Political Stalemate in the Last Frontier?"]

[Excerpts]

PALAWAN: oil; dried fish; abundant marine and mineral resources; coconut hybrid; Kalayaan Island Group; Iwahig Penal Colony; Cullion Leper Colony; country's fifth largest island; biggest province; a sanctuary for wildlife; the Last Frontier.

IN a country where the religious and the military are frequently at loggerheads with each other, surprising indeed is the relations between the two in Palawan. Bishop Gregorio Espiga and Western Command's Commodore Gil Fernandez are, to quote the latter, "very good friends." Bishop Espiga is a Spaniard who idolizes Franco while Fernandez before his Palawan assignment, has been dubbed the "Tiger of Jolo." Fernandez is personal pilot to Espiga. "The Bishop is pro-government," Fernandez adds.

Both government and opposition camps are one in saying that the Palawenos are a peace-loving people. Fernandez estimates the MNLFs in the area at 18.

The only protest movement

post-Aquino assassination, occurred in Puerto Princesa City on December 7 last year when Butz Aquino came over for a speaking engagement. This was followed by a procession attended by about 6,000 to 7,000 people, per radio broadcast estimates.

Against this backdrop, the incumbent assemblyman, Teodoro Q. Peña, concurrently Minister of Natural Resources, and challenger Ramon V. Mitra, ex-Senator, prepare themselves for the mandate of the Palawenos.

The peace felt by the people in Palawan is now disturbed by the flurry of activities attendant to an election. Not only are the people divided between the Ramon "Man for all Seasons" Mitra and Teodoro ("if Monching is Man for all Seasons, I am Man of the Hour") Peña camps, "terrorists" have also come in. Towards the latter part of February this year, a group of unidentified armed men in military uniforms entered the Maasin School in Brooke's Point (the second largest town in Palawan), rounded up the teachers and asked them to pledge support for Mitra.

The teachers were told by the armed men that they were not with the military. Calendars of Teddy Peña were ripped.

Mitra denies knowledge of the identities of the armed men. He says he has a few guesses and is afraid that if this terrorism continues, it could give cause for the election to be suspended in that area.

Palawan sources revealed early this month that the activities of the armed men have continued. The armed men reportedly go on a house-to-house campaign warning the residents not to vote for Peña. The armed men reportedly do not tell the residents to vote Mitra.

Both the Peña and Mitra camps deny association with the armed men.

Since by admission of Peña/Mitra/Fernandez that there are no NPAs in Palawan, and the 18 MNLFs are contained and identifiable, the identity of these armed men who continuously sow terrorism in Palawan during the campaign period, remains a subject of conjecture.

VER TESTIMONY REPORTED: 'READY TO SERVE THIRD MASTER'

Quezon City VERITAS in English 15-21 Apr 84 p 3

[Article: "The General's Revelations"]

[Text]

THIS is the testimony of a man who once served two masters.

When AFP Chief of Staff General Fabian Ver testified before the Agrava Board, he naturally declared his undying loyalty to President Ferdinand Marcos yet, at the same time, he revealed an "intimate and deep personal relationship" with the slain opposition leader ex-Senator Benigno Aquino. If the Board has really turned into a circus of sorts as claimed by some observers, General Ver's testimony should easily rank as one of its highlights: a dazzling display of tightrope-walking ability.

On President Marcos and his special relationship with the country's Chief Executive, Ver said: "I am a loyal soldier. My only asset is my loyalty. I am not as educated as the others. With the length of my public service, my Executive Chief has no reason

to fear me. . . He (Marcos) is a very brave and religious man. . . All the authority I (now) have come from him because he is a God-fearing man and he is not vindictive."

Deputy General Counsel Mario Ongkiko asked if the General is a "friend of the Administration," a loyalist to the regime who might plot against the life of Aquino according to a statement attributed to the First Lady Imelda Marcos. "I could be a friend of the first couple," Ver answered. He then continued to add that he was not only working for the President or the First Lady but for the Filipino people as well. That last statement was met by a loud BOO from the people gathered at the lobby who were following the proceedings via a loudspeaker.

The General strongly denied the rumor that Aquino was "most afraid of him." Said Ver: "Senator Aquino

would have no reason to say that. We had been intimate with each other when he was at Fort Bonifacio. I attended to him. I went out of my way to grant him his requests. When he was imprisoned he had several requests from the military (personnel) all (of which) were passed to me (and which) I gave to the President. . . I was his channel of communication with the President. . . In Fort Bonifacio he was free to do anything. His quarters were properly attended to. He had all the facilities.

He even had extended leave to visit his family. These privileges were not enjoyed by other detainees." The point to the preceding testimony being that the General is really a kind soul.

If there remained in the audience those who doubted the General's tender heartedness, he hastened to add: "When he (Aquino)

left for the United States I was with the First Lady arranging at the Heart Center for a Doctor to go with him on board the plane. The First Lady knew that the Senator was suffering from an intense chest pain. He could have died in the plane if there was no medical attendance. I enjoyed his confidence up to the last moment.

"One of the few reasons why I was grateful to him was when I was promoted a General. Sen. Aquino helped me in becoming a General. He did not object to my nomination. Because of this I earned seniority over all other Generals at that time. He objected to other Generals. I could not be in my position right now if not for him." With that revelation, how could anyone doubt the General's lo-

yalty to us, both Becket and the king?

Board member Amado Dizon recalled that President Marcos had come out with a statement blaming the Communists for Aquino's death. In fact, last Dec. 20, Rosendo Cawigan testified that Sen. Aquino was a member of the New People's Army (NPA). He even said that NPA stood for Ninoy's People Army. Dizon asked how the Communists could have plotted Gen. Aquino's death if he was supposed to be a member (of the organization).

"The Sen., on the record of the trial (of the Military Tribunal Commission last 1976) was proven to have been aiding the Communist Party of the Philippines," explained Ver.

"How can we reconcile the fact that they could be responsible for the Senator's death when he was one of their supporters?" countered Dizon.

"There could be a higher objective. The Communist Party wants to overthrow the government, de-stabilize the government, and (adversely) affect the economy of the country. Anything contributory to a revolutionary state. These should be

considered as motives for the Communists to plot against Sen. Aquino," Ver explained. Then the General talked about Operations Four Flower to get more real information on the matter.

Operations Four Flowers was launched on Feb. 1983 because a certain agent called Ka Baby got some information from the Armed Propaganda Unit of the Communist Party that a certain Ka Greg heard from a certain Ka Fidel about a plot to kill Aquino. Ver said Ka Baby could not get further information from Ka Fidel because he belonged to the lower echelon of the Party and he knew of Ka Greg, but only vaguely so.

Ver stressed that another agent called Boy Taba twice overheard conversations in a restaurant about plots on Aquino's life. From all this, one might conclude that Operations Four Flowers is nothing but a string of hearsays strung together.

The General said he received news about Aquino's death in his office from Col. Romeo Ochoco and later from AVSECOM Commander Luther Custodio.

"I asked Gen. Custodio what happened.

He said Sen. Aquino was shot and was dead on arrival at the Army General Hospital in Fort Bonifacio. He said Sen. Aquino was shot when he was being loaded into the van," said Ver.

A strong reaction came from the crowd outside when Ver described the way Aquino died.

Ver narrated to the Board that the President expressed disbelief and surprise when he heard the news of Aquino's death.

What would the NPA get for killing Sen. Aquino?" asked Board member Dizon.

"His death caused chaos, disorder. Thanks to the security forces despite all the demonstrations there is still peace," said Ver. He added that Aquino's death created a revolutionary situation, some-

thing which the Communists want so that "they can take-over the government."

During the cross-examination by Narvasa, Ver, admitted that the Boarding Party could be culpable since Aquino was killed in their custody.

Ver, however, qualified that the Boarding Party was just an augmentation of the whole protective-layer of security given to Aquino.

The General explained that in the military, the Doctrine of Command Responsibility is not absolute.

So spoke General Fabian Ver, AFP Chief of Staff, who from any angle you look at it now, is ready to serve his third master. Can anyone else display such loyalty?

- By EDUARDO B. PACHECO/Reported by Barbara Mae Dacanay

VERITAS REPORTS BACOLOD REGISTRATION IRREGULARITIES

Quezon City VERITAS in English 15-21 Apr 84 p 6

[Article: "'Ghost Precincts' in Benedicto Country"]

[Text] Certain interests behind that controversial sugar monopoly in Bacolod City do not limit themselves to sugar trading, it was revealed during the recently concluded four registration days.

A source in that southern city said that all employees of the Roberto S. Benedicto group of companies were required to collect at least 20 voters' identification forms. In past weeks, these employees had gone around the city borrowing ID forms. Those who lent their forms were unaware of the implications or had been promised raises or promotions, the source added.

He also said that there are persistent rumors that such forms would be used in "ghost precincts" in the coming Batasan elections.

One polling center where the expected registrants numbered only 300 at the most yielded 700 names after the registration days. The source said that the area covered by this center is around the NIVICO compound, a Benedicto company which assembles battery-run television sets.

The source said that the NIVICO-NAMFREL chairman resigned because of the "massive irregularities."

Another NAMFREL volunteer, Gigi Campos, said that the organization lacked volunteers in many areas in and around Bacolod City. She said that in her polling place, only one volunteer poll-watched for 24 hours in the four registration days for each voting center. "And that was already the best manned polling place," she added.

CSO: 4200/673

COFFEE SHOP GRAPEVINE REPORTED

Quezon City VERITAS in English 1-7 Apr 84 p 19

[Article by Aigrette Cuatico: "The Coffee Club: A Venerable Tradition"]

[Text] Free speech is the common currency exchanged at coffee shops around Manila. Before, during and after martial law, this custom has prevailed unmolested but not left entirely unreported.

The most immediate example of this tradition is the 365 Club where cabinet ministers and plenipotentiaries are regularly taken to the cleaners by their coffee cronies, friends and foes alike, while "subversive" jokes fly thick and fast, with a few swipes at the church thrown in.

"This group," observes lawyer Raffy Recto, "seems to be immune from arrest."

Another, newer group at the Hilton Patisserie doesn't seem to be as lucky. Although the U.N. Walkers Club is what drug company executive Ed Tolentino describes as "a forum for free expression," it has the distinction of having had two of its speakers picked up by the military.

Organized by Reggie Hechanova, it was patterned after his old club, the Escolta Walking Corporation of fifties fame. And just nearby at Taza de Oro is a splinter group of the EWC reliving its glory days as opposition bastion.

What was known in the sixties as the Roxas Boulevard Standby Corporation retreated to the Taza to hibernate when martial law was declared, where it was joined by like-minded gentlemen. The istambays continue to hold the fort.

The conversation club has been a free speech holdout since the American Occupation when nationalists debated independence from the colonizers, in between sips of Hills Bros. or Chase & Sandborn, in what was basically a very western invention: the coffee shop. Tom's Dixie Kitchen, recalls career diplomat Melchor Aquino, was the "annex" of Malacanang and the Philippine Legislature during the days of empire.

The true descendant of the Lagotiam Club (for "Lagot I Am") at Tom Pritchard's restaurant in pre-war Manila is the 365 Club, according to Doroy Valencia,

dean of coffee coteries and the man responsible for the morning crowds at the Intercon Jeepney coffee shop.

Presiding over the daily brawls with a benign eye and an acid tongue, he can be counted on, says airport manager Louie Tabuena, to give the authoritative word on any topic that may come up. And a lot of them do.

"And if you're depressed about the economy," an oppositionist advises with gentle malice, "talk to Doroy."

Government officials drop by to hear what people really think, a 365er explains, while the rest come in because they want to shape or sway the course of the administration. Then he destroys this commendable picture by amiably admitting that, actually, "we're worse than women."

Max Soliven, publisher and club stalwart, concurs: "It takes a lot of courage to leave a table before everyone else. That's why you see a lot of guys hanging around here all morning. Once you turn your back, they start stabbing it!"

This fertile soil of rumors and gossip can be extremely useful for journalists, who keep their ears close to the ground.

Art Borjal of METRO MANILA TIMES cautions, "You can pick up tidbits, but you have to have a good sixth sense because there are only traces of truth in what you hear. It's up to you to dig deeper."

Media man Emil Jurado cites several trial balloons loosed by government officials among breakfast buddies for their reactions, before announcing the plans in public.

Jess Bigornia, BULLETIN TODAY columnist, regularly coffee-shop hops for the latest. So do scores of other journalists, including those "lying foreign correspondents." BULLETIN's Jun Icbán vaguely murmurs that "sometimes" he hears something.

But an unwritten law at these sessions is that nobody is quoted. Unless, Borjal jokes, they specify that "this is not for publication," in which case they want it to see print.

The hazards of the institution are the publicity hounds and the hustlers, who are both out to sell you something. The Intercon crowd, it is generally agreed, is better known for self-promoters or their PROs; while Taza de Oro's fraternity is more popular for being infested by wheeler-dealers and what the member of another club disdainfully refers to as the "hoi polloi."

The 365's Raffy Recto innocently asks, "Don't we have hustlers here too?" Then concludes, answering his own question, "Ah, but our hustlers are klas. Yung iba small time, dito big time."

A more likely peril, though, is an ear-bending encounter with the loquacious habitues. The "dream team" in earlier days--all together at one table, talking at the same time about totally different things--numbered among them Ka Doroy and Atty. Juan T. David. The columnist has mellowed with time, saving his breath for his columns, but the opposition lawyer continues to terrorize the unwary at Taza, frequenters grin.

Martial law has probably muted these free-for-alls somewhat, but the institution still functions. Knowledgeable visitors to the metropolis head for the nearest coffee house upon arrival to find out what's up. Or, as Walker Ed Tolentino puts it, "to hear the current news," before indignantly adding, "It's certainly not for the coffee!"

On any given day the debates rage, with the coffee shop a microcosmic representation of the Philippines, only more so.

After the death of opposition leader Ninoy Aquino, the movement towards political polarization in the country was mirrored in the coffee shop, and nowhere more clearly than at the 365 Club, composed as it is of both government partisans and oppositionists.

Before Aug. 21, 1983, its members sat at one long table, indulged in light-hearted verbal jousts and agreed to disagree. A few smaller tables at the periphery were reserved for more private slanging matches and consultations.

Art critic Leo Benesa recollects that, the morning following the airport assassination, labor minister Blas Ople, deputy prime minister Jose Rono, Tabuena and company huddled in one corner with downcast eyes, besieged by their incensed associates.

Since then, members note, officials and the anti-government faction scattered throughout the numerous tables have tended to avoid each other.

However, with the elections coming up, the action everywhere is once again raised at feverish pitch with columnists chronicling the various platforms and persuasions of would-be candidates sharpening their rhetoric. And Valencia, no doubt at the receiving end of many a sales spiel over his cup of coffee, has been heard complaining, "Scratch a 365er and you find a candidate underneath!"

Others, apparently a minority, have no intentions of running for office or any other ulterior motives for attending the sessions, except the most prosaic.

One coffee shop chap sighs, "Well, I bring my daughter to school every day and there's nothing else to do at eight in the morning..."

CSO: 4200/673

BRIEFS

BOYCOTT PROTESTS STRIKE BRUTALITY--The Samahang Oktubre Uno ng Laban (SOUL) called on the general public, particularly the members of the labor sector, to boycott all the products of Balanced Foods, Inc. to protest police brutality which it said has been committed against striking workers of the plant. Rey Cuyugan, spokesman for SOUL, also asked Generals Ramos and Karingal to punish the officers of the Quezon City police responsible for breaking picket lines by force. [Text] [Quezon City VERITAS in English 1-7 Apr 84 p 2]

CSO: 4200/673

CASUALTIES IN CPM COUNTERATTACK

BK271204 Bangkok BANGKOK WORLD in English 27 Apr 84 p 3

[Text] Betong--Five Thai soldiers were killed and two seriously wounded last night when members of the outlawed Communist Party of Malaya (CPM) launched a counter-attack on Thai regiments occupying their overrun camp in this southern border district, a military source said this morning.

The attack took place about 9:30 p.m. at a large CPM stronghold, 20 kilometres northeast of Betong town, the source said.

The camp was seized by Thai troops last week during a joint Thai-Malaysian operation against the CPM.

Sgt Kittisak Ninphettrat and Pvts Bunchok Maidi, Suradet Detsongkram and Prasit Srithep were killed at the camp while Pvt Somsak Kosaithayanon died at Betong District Hospital.

The two wounded soldiers were Pvts Phakdi Damrat and Wanchai Siriphan.

The source said about 20 to 30 armed insurgents attacked 200 Thai troops manning the camp with grenades and machine guns.

The Thai forces fought back and the insurgents retreated after a 20-minute gun battle, the source said.

The same group of insurgents returned about 1 a.m. today but met strong resistance from the Thai soldiers who were on full alert. The fighting lasted about 20 minutes before the insurgents withdrew, the source said.

The rebels returned for the third time about at 6 a.m. and attacked from the western side of the camp. They retreated after about 30 minutes of gun battle.

Thai military officials in Betong this morning sent helicopter gunships into the area to carry out aerial attacks against the insurgents, the source said.

Meanwhile, the Fourth Army Region, after receiving a report of the incident, this morning sent its Chief-of-Staff Maj-Gen Thanaphon Bunyopatham to Betong to map out another [word indistinct] in the anti-CPM operation.

BURMESE SHELLS HIT BORDER VILLAGE

BK190942 Bangkok BANGKOK WORLD in English 19 Apr 84 p 3

[Text] Mae Sot, Tak--Thai civilians fled their homes in panic yesterday afternoon when Burmese white phosphorus shells landed in the Thai village of Huai Kalok in this northern town, a military source said this morning.

The source said the incendiary shells did not inflict any casualties, but caused destruction to 15 shophouses in the village.

The incident occurred while Burmese troops were shelling the Karen village of Wang Kha opposite the Thai village. The shelling destroyed 15 shophouses in Wang Kha and sent about 1,000 Karens fleeing into Huai Kalok village.

The source said the shellings took place at 2 p.m. and about 10 shells landed on the Thai village which is located on the bank of the Moei River in Tambon Mae Ta. Two fire engines from Mae Sot District were unable to quell the fire which finally destroyed 15 shophouses.

More than 20 shells landed on Wang Kha Village and ravaged more than 15 shophouses in the area, the source said, adding that the sound of bombardment was heard throughout last night.

He also said that fresh clashes were reported this morning between Karen rebels and Burmese Government forces near Wang Kha Village.

About 10,000 Karen refugees who fled the fighting in Burma are taking refuge inside Thailand, mostly in Tha Song Yng District in Tak.

Western relief agencies this morning said they are running short of rice to feed these refugees but said they had not yet had any problems with medical supplies.

Meanwhile, another military source said about 800 armed Burmese Government forces were sent to reinforce the 700 troops who have been stationed around Maw Po Kay camp during the past two months.

The source said that the 800 soldiers had brought along with them food supplies and other necessities collected from three Burmese villages.

The source said people in the three villages, opposite Tak's Ban Mae Ramat of Mae Ramat District, had been forced to give their food to the Burmese troops.

In another development, Thai authorities in Tak said this morning that they would soon push back into Burma about 52 Karens who have recently fled the fighting into Ban Mae Ramat of Mae Ramat District.

CSO: 4200/700

THAILAND

ATHIT REPORTS RESCUE OF 'TRAPPED' SOLDIERS

BK210144 Bangkok THE NATION REVIEW in English 21 Apr 84 pp 1, 2

[Text] A unit of Thai soldiers were rescued after being trapped for several hours near the Thai-Kampuchean border in Surin by rocket and recoilless rifle fires from the Vietnamese forces, Supreme Commander Gen Athit Kamlang-ek said.

He said the soldiers on a patrol came under heavy fire after they captured a Vietnamese soldier who identified himself as the deputy commander of a company of Vietnamese forces.

Assistant Secretary of the Army Col Anuson Kritsanaserani told reporters at a news conference that the Vietnamese soldier, identified as Sub-Lt Nguyen Van Cha, was captured about one kilometre from Ban Taweng, about 150 metres inside Thailand in Buachet Subdistrict.

Another Vietnamese soldier was able to escape and was believed to have directed the Vietnamese force nearby inside Kampuchea to attack the Thai patrol unit.

He said the Vietnamese opened up with mortars and rockets. However, the patrol unit was unhurt but the Vietnamese mortar shells landed near another Thai patrol unit.

Four of the soldiers were wounded when one of them stepped on a booby-trap, he said.

A heavy exchange of gunfire between Vietnamese forces and Thai troops ensued, blocking attempts to rescue the wounded soldiers.

A helicopter was later sent in to pick up the trapped soldiers.

Colonel Anuson said that Sub-Lt Nguyen Van Cha said through an interpreter that he was deputy commander of the Seventh Company of the Fourth Battalion of 271st Regiment of the 302d Division of Vietnamese forces in Kampuchea.

General Athit later quoted him as admitting that it was the Vietnamese forces which shot down an L-19 reconnaissance of the Thai Air Force in Surin last Sunday.

Sub-Lt Nguyen Van Cha reportedly said that the Vietnamese in the area were also armed with shoulder-fired SAM-7.

Earlier this week, a Vietnamese soldier surrendered to Thai soldiers in Ta Phraya District.

CSO: 4200/700

AIRSTRIKE ON 'SUSPECTED' CPM STRONGHOLD ORDERED

BK010314 Bangkok BANGKOK POST in English 1 May 84 p 5

[Text] Betong, Yala--The Fourth Army Region yesterday ordered an air strike on a suspected stronghold of the Communist Party of Malaya (CPM) after a government informant was found beheaded, allegedly by the southern communist insurgents.

The air strike scheduled for this morning is aimed to facilitate ground assaults by about 1,000 government troops on the CPM's 2d Zone headquarters, about 20 kilometres northeast of this border town.

The headquarters of the Marxist-Leninist insurgents is believed situated in an area only a short distance from a major CPM camp earlier captured by Thai forces during the anti-communist operation which has been going on since April 14.

Fierce fighting reportedly erupted around 9 p.m. last night following M79 rocket attacks on the ground troops by CPM ambushers.

A unit of Thai troops yesterday found a decapitated body of a man who was later identified as Kuang Sae Tang, a 56-year-old rubber plantation owner.

Kuang was reported missing from his home since April 16 after he gave military interrogators information about the CPM in the area.

His relatives lodged complaints with the local military authority after his disappearance, triggering an extensive search which later led to the discovery of his body.

Seven more Thai soldiers were wounded yesterday when they stepped on booby traps planted by CPM insurgents, pushing the government casualty toll in the current drive against the CPM to 5 deaths and around 32 injured.

Major-General Chap Iamsiri, Thai commander of the Thai-Malaysian Combined Task Force, said he expected ground troops to seize the CPM headquarters within the next few days.

The general has ordered the operation extended by seven more days. He said hot pursuits into Malaysia might be necessary if the insurgents fled in that direction, adding that his Malaysian counterpart would be informed in advance of any cross-border operation.

Meanwhile, Maj-Gen Yaacob Mohmed Zain, Malaysian commander of the Combined Task Force who visited Betong yesterday, said he was satisfied with the progress of the operation.

He said Malaysia had maintained at least a battalion of ground troops opposite the border to repulse the CPM remnants who might try to escape the Thai suppression into Malaysia.

"As it is a coordinated operation, Malaysian troops are still active on the other side. We will not hesitate to give a helping hand if called for by Thailand," the Malaysian commander said.

He said he hoped that the two countries would step up military cooperation to destroy their common enemy.

"If there is suitable target along the border, we can cooperate militarily," he said.

CSO: 4200/700

ATHIT ON 'YOUNG TURKS' JAKARTA TRIP

BK290139 Bangkok BANGKOK POST in English 29 Apr 84 p 3

[Text] Supreme Commander Gen Athit Kamlang-ek yesterday denied a report that some "Young Turk" officers were readmitted into the army.

"I have not seen the report yet and don't know anything about it," the general told a group of reporters.

He said that neither the army nor the Supreme Command had considered readmitting the Young Turk officers.

Several Young Turk officers who were involved in the April 1-3 abortive coup in 1981 were dismissed from the service. Some of them have since become businessmen because they realised that their chances of returning to the army were slim. Others however remained hopeful that they would be readmitted.

In another development, the Supreme Commander flies to Jakarta tomorrow for a four-day visit during which he will hold talks with his Indonesian counterpart, Gen Beeni Murdani.

General Athit said yesterday the purpose of the visit was to strengthen relations and exchange views on military developments.

"There won't be any negotiation between us," said Gen Athit, who has already met his Singaporean and Malaysian counterparts.

General Athit and General Murdani are known to have differences of opinion on Vietnam's role in Kampuchea.

On a recent trip to Hanoi, General Murdani issued a statement saying Vietnam posed no threat to Southeast Asia.

CSO: 4200/700

CTP ZONE 207 ACTIVITIES REPORTED

BK120928 Bangkok ATHIT KHLET LAP in Thai 7-12 Apr 84 pp 19-21

[Unattributed article]

[Excerpts] Zone 207 is a Communist Party of Thailand [CPT] zone which has been operating for quite some time. After the internal party conflict regarding the party line, CPT Zone 207 reportedly separated itself and became independent from the CPT; however, it continued to carry out mass, armed operations. The 2d Army Region launched several unsuccessful encirclement operations against CPT Zone 207.

Subsequently, there were contacts between Zone 207 and the 42d Combined Civilian, Military, and Police [CPM] unit, which is a unit under the 2d Army Region. The 42d CPM unit was based at Ban Nong Sai, Tombon Nong Sai, Khon Buri District, Nakhon Ratchasima Province, while Zone 207 was active in the area which borders Prachin Buri, Nakhon Ratchasima, and Buriram. CPT Zone 207 reportedly commanded about 300 armed soldiers and about 800 mass supporters. The dialogue between the 42d CPM unit and CPT Zone 207 set 15 March 1983 as the date for negotiating the surrender of the insurgents; however, the negotiations failed.

The 2d Army Region launched a major encirclement campaign which would last from January-March 1984. The 42d CPM unit applied great pressure against CPT Zone 207 but did not achieve desired results. During the duration of the encirclement campaign, the masses belonging to CPT Zone 207 sought to surrender to the government and set up a rendezvous to negotiate the surrender. According to Charoen Premruthairat, a democrat MP from Nakhon Ratchasima, the seven members of the Zone 207 masses who came to the rendezvous point were killed. CPT Zone 207 then stepped up its armed operations. One night not long after the murder of the communist masses, the civil ranger unit in the area was attacked, suffering 49 deaths and 1 injured.

CSO: 4207/138

ARMY OFFICIAL ON ARRANGEMENTS FOR KHMER REFUGEES

BK201100 Bangkok Domestic Service in Thai 0530 GMT 20 Apr 84

[Nineteen April interview given by 1st Army Division and Eastern Force Chief of Staff Colonel Chainarong Nunphakdi to journalists in Prachin Buri Province---recorded]

[Text] [Chainarong] The army chief has visited us and given us a definite operational guideline; we will not get involved in the fighting between the two parties. However, that does not mean we will tolerate any encroachment of our sovereignty by foreigners, whoever they are. I would like to assure you that the Eastern Force is ready for any emergency.

[Question] Where has the Eastern Force put the newly arrived refugees?

[Chainarong] The responsibility of handling the refugees rests with Task Force Unit 80. The Eastern Force's duty is to prevent influx of refugees into Thailand as that would create a future burden for us. Anyway, we have coordinated with Task Force Unit 80 in arranging for the newly arrived refugees, which number 35,000. We have prevented them from crossing the irrigation ditch, but we have kept them moving along the border line northward, from south of Ban Sa-Ngae encampment to 20 km to the north and then eastward towards Ban Sanro Cha-ngan, which is now called Sanro encampment. The terrain had been prepared by Unit 80 for the regrouping of the refugees. It is about 2 km east of the borderline. They [not specified] are short of ammunition, but their morale is still high. Ban Sa-Ngae, [as heard] encampment is the only encampment which has never come under attack since it was set up in 1980. It is the headquarters of the Khmer Serei faction of Son Sann. They have high combat morale.

CSO: 4207/138

BRIEFS

NEW OPERATION AGAINST CPM--Yala--A new operation against the outlawed Communist Party of Malaya [CPM] will begin today in Ra Ngae, Than To and Bannang Sata districts of this southern province, Col Kittti Rattanachaya said this morning. Ra Ngae is believed to house the clandestine radio station of the CPM while armed CPM members are believed to be based in Than To and Bannang Sata districts, he said. The operation is code-named Thaksin 4306. Colonel Kittti, who is the leader of Thai forces now in joint operation with Malaysian troops, said that the operation would continue for an indefinite period or until all CPM members were wiped out. [Text] [BK210924 Bangkok BANGKOK WORLD in English 21 Apr 84 p 3]

KARENS FLEE BURMA FIGHTING--Bangkok, 20 Apr (AFP)--More than 1,000 ethnic Karens have fled from Burma to Thailand following heavy artillery exchanges between Karen rebel troops and the Rangoon army, a Thai official said today. Burmese troops began an assault two days ago on Wang Kha, a major Karen stronghold on the Thai-Burmese border, about 500 kilometers (300 miles) northwest of Bangkok, the official said. He said the only casualty among the Karen refugees was a young man whose leg had been blown off at the knee. He did not say how the man was injured. [Excerpt] [BK201238 Hong Kong AFP in English 1203 GMT 20 Apr 84]

TREMOR JOLTS NORTHERNMOST PROVINCE--Chiang Rai--A minor tremor, lasting about two seconds, was felt in this northern province yesterday, according to the Meteorological Department. It said the tremor, registering 4.5 on the Richter scale, caused no damage. An employee of Wiang Inn Hotel, which is the tallest hotel in Chiang Rai, told THE NATION on the phone that the building swayed. The department said the tremor had its centre inside Burma, about 350 kms north of Chiang Mai where a seismograph station is located. The tremor was felt at about 5:30 p.m. [Text] [BK250129 Bangkok THE NATION REVIEW in English 25 Apr 84 p 1]

SOLDIERS WOUNDED IN OFFENSIVE--Betong, Yala--Seven Thai soldiers were wounded as ground troops moved in to seize two more camps of the Communist Party of Malaya [CPM] yesterday. Field military sources said the seven were injured by shrapnel from booby traps planted around the camps, 23 and 20 kilometres

northeast of this border town. The communist insurgents were shadowing the government troops and for the first time on Friday and launched several mortar attacks. In Narathiwat Province, government forces were sent into Chanae Sub-district and Than To and Bannang Sata of Yala to launch separate attacks on CPM factions. [Text] [BK220601 Bangkok BANGKOK POST in English 22 Apr 84 p 3]

GOVERNMENT CAPTURES CPM BASE--Betong, Yala--Thai troops yesterday captured a Communist Party of Malaya base near here. The base, 23 km northeast of Betong, was the second communist stronghold to have fallen within a week. Communist guerrillas fled the base before Thai troops arrived, field sources said. Another contingent of troops were advancing toward a third base, 20 km away and an assault was expected soon, they said. The first communist base, 13 km northwest of here, was seized shortly after the Taksin 8403 Operation started on Sunday. Guerrillas yesterday shelled the captured camp shortly after newsmen, taken to inspect it, had left. A brief gunfight erupted and a helicopter gunship was later called in. No casualties were reported. Meanwhile, one military source told the BANGKOK POST yesterday that a new CPM-crackdown campaign--codenamed "Taksin 4306"--would begin today in Than To and Bannang Sata districts of Yala. In a related development, RTAF [Royal Thai Air Force] deputy Commander-in-Chief ACM [air chief marshal] Bandit Chotichanaphiban yesterday cited "technical errors" and denied reports that a Royal Thai Air Force A37 jet fighter which crashed near the Malaysian border last Saturday had been shot down by communist guerrillas. The RTAF deputy commander-in-chief told the Malaysian news agency BERNAMA on Thursday that the Cessna jet failed to ascend after a bombing dive and both the pilot and co-pilot were killed in the crash near Betong. [Text] [BK210640 Bangkok BANGKOK POST in English 21 Apr 84 p 20]

CSO: 4200/700

MILITARY AFFAIRS AND PUBLIC SECURITY

QUAN DOI NHAN DAN HITS PRC 'WAR ESCALATION'

OWO31033 Hanoi Domestic Service in Vietnamese 1100 GMT 2 May 84

[Text] Under the title, "Beijing Has Again Escalated Its Crimes Against Vietnam," a QUAN DOI NHAN DAN commentary [date not given] says:

On 28 and 29 April, the Chinese authorities mobilized 3 regiments of the 40th division, 14th Army Corps, in the Kunming military region, to conduct a land-grabbing operation to seize peaks 1509, 772, and 223 [figure as heard] in Vi Xuyen District, Ha Tuyen Province, inside Vietnamese territory. This is a very serious, new act of war escalation by the reactionaries within the Beijing ruling circles against Vietnam.

Following nearly a month of repeated shellings, troop intrusions, and land-grabbing in many areas along our country's northern border, from Quang Ninh to Lai Chau, their new land-grabbing attack is of a larger scale, involving a larger force and fiercer attacks. Like the previous land-grabbing attacks in Trang Dinh and Yen Minh Districts, the Chinese troops' recent attack in Vi Xuyen is a squirming [suwj daayx duaj], a forced act, aimed at coordinating acts of war with the Thai ruling circles, who are striving to wage armed provocations against the PRK, in an attempt to rescue the genocidal Pol Pot clique's remnants and its cohorts who are being punished by the Kampuchean people and revolutionary armed forces along the Kampuchean-Thai border. This is also a wicked calculation by Beijing, an attempt to deter the ASEAN nations' willingness to move toward a dialogue with Vietnam, to develop friendly and cooperative relations with it, and to build the Southeast Asian region into a zone of peace and stability.

Noteworthy is the fact that Beijing waged a large-scale land-grabbing attack, with three regiments, to seize peaks inside Vietnamese territory while it extended a red-carpet welcome for U.S. President Reagan. Obviously, the reactionary Zhongnanhai leaders wanted to toady to the representative of the arch imperialist, to manifest their attachment to, and diligence over, the U.S. strategy: Join U.S. imperialism in countering the Soviet Union, Vietnam, and the other Indochinese countries and in undermining peace and stability in Southeast Asia.

Clearly aware of the true nature of the truculent and dangerous enemy, the people and armed forces in our country's northern border provinces, constantly remaining vigilant and standing highly combat-ready, have promptly and duly

punished the Chinese troops' military provocations and land-grabbing acts. Our armed forces and people are continuing to fight to sweep the Chinese aggressors away from our territory in order to defend every inch of land of our beloved fatherland.

Perpetrating crimes against Vietnam, the reactionary Beijing ruling circles have deliberately worsened the friendly relations between the peoples of China and Vietnam. They have completely run counter to the very interests of the Chinese people and the interests of peace and stability in Southeast Asia. This act of war escalation by Beijing has proved this truth to the world public: It is China and those who collude with it--U.S. imperialism and reactionary forces in the region--who are undermining peace and stability of the nations in the region and posing a threat to their independence, sovereignty, and security. Their criminal acts will certainly be severely condemned by the world public. They are courting setbacks, and certainly are going to court more setbacks.

CSO: 4209/256

MILITARY AFFAIRS AND PUBLIC SECURITY

QUAN DOI NHAN DAN CALLS FOR COMBAT READINESS

OWO31303 Hanoi Domestic Service in Vietnamese 1000 GMT 3 May 84

[From the Press Review]

[Text] Under the heading "Stand Combat Ready in the Dien Bien Phu Spirit," QUAN DOI NHAN DAN's editorial says: Over the past month, the situation at our country's northern border has become tense. The reactionaries among the Beijing rulers have intensified their military activities and repeatedly carried out provocations, shellings, and intrusions into our territory all along our six northern provinces. Their military actions constitute an important part of the multifaceted war of sabotage being conducted by the Beijing reactionaries to weaken and eventually to annex our country.

With high vigilance, the armed forces and people in the northern provinces have upheld their fighting spirit, close coordination, army-people unity, and initiative in overcoming difficulties; fought back in good time; repulsed many enemy attacks; annihilated or captured many intruders; and duly punished the enemy for his criminal acts.

With their reactionary and obstinate nature, the Beijing expansionists will still continue to resort to many new tricks and commit further military provocations and nibbling at our fatherland's border. Maintaining constant vigilance and high combat readiness, our armed forces and people in the border provinces are resolved to foil the enemy's plots and tricks; firmly defend the fatherland's frontier; maintain security; and defend the livelihood, labor, and production of the people of border provinces.

CSO: 4209/256

MILITARY AFFAIRS AND PUBLIC SECURITY

BRIEFS

SHELLING OF QUANG NINH--The daily NHAN DAN on Sunday ran a report on a savage crime committed by Chinese troops against the Vietnamese people in the northern border province of Quang Ninh. The paper said that on 2 April, Chinese troops fired more than 5,000 artillery and mortar shells on 100 places in Dinh Lieu and Hai Ninh Districts, killing and wounding many civilians. One of the shells hit the secondary school in Hai Ninh District, killing a teacher and seriously wounding a school mistress and a pupil. A peasant working in the ricefields nearby was also killed by the shelling, and a 4-year-old child had his bowels ripped up by the splinters. [Text] [BK291209 Hanoi International Service in English 1000 GMT 29 Apr 84]

FIGHTING IN HA TUYEN--Hanoi VNA 2 May--Chinese troops continued their artillery shellings of Ha Tuyen Province's seven border districts from 28 April to 1 May. In the same period, they used a big infantry force to nibble at hill 1250 in Yen Minh District and hills 1545, 1509, 772, and 233 in Vy Xuyen District. At the latest report, fighting was raging in these two Vietnamese districts. At 05:30 hours on 30 April, thousands of Chinese shells were fired on the Vietnamese side of hill 1250, which was followed by a four-pronged assault by two Chinese infantry regiments. Vietnamese artillery returned fire in time, silencing several enemy artillery rounds while Vietnamese infantry troops fought back with a firm resolve to stop the enemy's assault. On 28-29 and 30 April alone, the defenders put out of action hundreds of enemy troops, captured many others and destroyed a number of artillery rounds. At present, China is pushing its forces closer to the common border, seriously threatening Vietnam's territorial sovereignty and the life of the civilian population in Ha Tuyen and other northern border provinces. [Text] [OWO21615 Hanoi VNA in English 1557 GMT 2 May 84]

DEGA-FULRO COMBAT ACTIVITY--Here is a report on the combat activities of the Dega-FULRO guerrillas on Play Cu battlefield: On 1 March, the Dega-FULRO guerrillas attacked the Vietnamese Le Duan soldiers at (Kantreu Chalmang) commune and at (O Krieng), killing eight and seizing five AK's. On 6 and 8 March, the guerrillas attacked the Vietnamese soldiers at (O Touch), killing six and wounding four. On 17 and 19 March, the guerrillas attacked Vietnamese soldiers north of (Blae Chanak) and west of (Kmal) Hill, 2 km from (Phu Fa) District, killing four, wounding two, and seizing three RPD's and an AK. On 26 and 28 March, the guerrillas attacked Vietnamese soldiers at (Blae Li Malek) in (Buon Gan) District and at (Blai Yang) in the same district, killing three, wounding four, and seizing an AK and an AR-15. In sum, the Dega-FULRO guerrillas killed or wounded 31 Vietnamese Le Duan soldiers. [Text] [BK270246 (Clandestine) Voice of Democratic Kampuchea in Cambodia 2330 GMT 26 Apr 84]

REPORT ON OPIUM TRADE--Last month, the Vietnamese communist authorities sent many cadres to the northern border provinces to encourage and appeal to the peasants to grow more opium for illegal export to foreign countries to help finance the purchases of weapons and ammunition from the Soviet Union. Lai Chau and Ha Tuyen Provinces have been given much attention by the Vietnamese communists because of their cultivation of poppies. It has been reported that the Vietnamese communists' illegal drug production has been exposed and condemned by the Western press. [Text] [BK010734 (Clandestine) Vietnam Resistance Radio in Vietnamese 0200 GMT 1 May 84]

CSO: 4209/256

INTERNATIONAL RELATIONS, TRADE AND AID

HANOI CITES BA YI COMMENT ON REAGAN'S PRC VISIT

OW290305 Hanoi Domestic Service in Vietnamese 1100 GMT 28 Apr 84

[Text] The Beijing rulers have poured a lot of money into organizing a solemn reception for U.S. President Reagan, the bellicose imperialist chieftain. They have toasted peace and prosperity and praised the steady development of Sino-American relations.

The Chinese clandestine radio station Ba Yi on 26 April broadcast a commentary entitled: "The Devil Reveals His Cruelty to the Utmost Especially When He Smiles," which says:

Reagan has come to visit our country. Our government organized a solemn reception for the U.S. imperialist chieftain at the eastern gate of the Square of the People's Great Hall, fired a 21-gun salute, and organized many people to welcome him, thus creating a scene of popular masses welcoming the visitor.

The accommodations for Reagan, his wife, and his entourage were profusely decorated with red flowers. Reagan and his wife were very satisfied with such a ceremonial welcome.

What is the purpose of such a waste of money and manpower on Reagan's reception? This is to forget the fact that Reagan is the chief brigand of the U.S. imperialists, because, under his leadership, the United States recently committed untold crimes against the peoples of other countries. The U.S. leader's hands are so stained with these peoples' blood that even the bright red flowers cannot cover up his crimes.

Reagan is not a friend of the Chinese people. Before his arrival in Beijing he stated: We will not, because of our new friend, forsake our old friend. That means that he reasserted his friendship with the Kuomintang on Taiwan. However, the U.S. leader, the most reactionary friend of the Kuomintang on Taiwan, is now donning the garb of a friend of the Chinese people, posing for a picture with our country's leaders, and waving to our people.

There is a saying: The devil reveals his cruelty to the utmost especially when he smiles. We should be vigilant.

CSO: 4209/256

INTERNATIONAL RELATIONS, TRADE AND AID

NHAN DAN CITED ON REAGAN'S CHINA VISIT

BK291203 Hanoi International Service in English 1000 GMT 29 Apr 84

[Text] The Vietnamese leading newspaper NHAN DAN says that Reagan's China visit reflected closer collusion between America and China in opposition to the Soviet Union and world forces of peace.

The paper says: In the first talks on 27 April, Chinese Premier Zhao Ziyang and President Reagan expressed the same view that Sino-American relationship needs to be developed with an anti-Soviet [word indistinct]. They also discussed military cooperation. In the afternoon the same day, President Reagan met with Hu Yaobang and affirmed that the United States and China shared the same views on several issues. Reagan said that he was especially proud of the nuclear cooperation treaty just signed between the two countries. On 28 April, the American head of state met Deng Xiaoping, and Deng Xiaoping tried to please Reagan with flowery phrases like I have been looking forward to meeting you for more than 2 years now or just to be able to meet you here is already a big achievement.

Meanwhile, in Bangkok, the American Embassy announced that the aircraft carrier MIDWAY and seven escorting warships will arrive at Phatthaya seaport of Thailand on 1 May. Washington has promised to sell 40 M-48 tanks to Thailand and would freight these tanks to the Thai-Kampuchean border as quickly as possible. Those developments show the further collusion of Washington, Beijing, and other reactionary forces in Southeast Asia against peace and stability in this region. They belie Reagan's rhetoric that the Soviet Union is a threat toward the Pacific.

CSO: 4200/696

INTERNATIONAL RELATIONS, TRADE AND AID

VIETNAMESE ASSEMBLY SPEAKER ON KHMER ROUGE

NC200430 Paris AFP in English 2151 GMT 19 Apr 84

[Text] Paris, 19 April (AFP)--Indonesia, Malaysia and the Philippines agree with Vietnam that any solution to the Cambodian crisis will involve "political and military elimination of the Khmer Rouge," Chairman of the Vietnamese National Assembly Nguyen Huu Tho said here today.

But all three countries and Vietnam favour "dialogue" on the crisis, the president of Vietnam's National Assembly said after talks today with President Francois Mitterrand and Foreign Minister Claude Cheysson.

Military elimination meant "an end to the threat from China and to the use of Thai territory to attack Kampuchea (Cambodia)," he said.

Vietnamese forces recently launched a major offensive against Khmer Rouge resistance bases along the Cambodian-Thai border.

Mr Huu Tho said the question of French mediation in the Cambodian crisis did not arise in today's talks. Mr Mitterrand had hoped a solution could be found and Vietnam could normalise relations with China.

Earlier Mr Huu Tho said: "The main obstacle, and perhaps the only (to talks on Cambodia), is China, but Beijing will not be able to prevent talks if the ASEAN countries are for them," he said.

Vietnam will withdraw its troops from the country "as and when China stops threatening Cambodia and Heng Samrin's government (in Phnom Penh) is strong enough to defend itself." Mr Huu Tho said.

On Vietnamese-French relations, Mr Huu Tho said both countries wanted to increase economic exchanges and strengthen ties.

Mr Huu Tho arrived here on Monday for a week-long official visit. He is due to return to Hanoi on 23 April.

CSO: 4200/696

INTERNATIONAL RELATIONS, TRADE AND AID

HANOI MAYOR MEETS WITH INDIA'S VICE PRESIDENT

OW231953 Hanoi VNA in English 1542 GMT 23 Apr 84

[Text] Hanoi VNA 23 April--Vice President Mohammad Hidayatullah on 22 April received in New Delhi Tran Vy, mayor of Hanoi City and head of the city delegation, on a 10-day visit to India.

Vice President Hidayatullah praised the heroic struggle of the Vietnamese people in the past and at present, and expressed profound sympathy with the difficulties the Vietnamese people are facing.

He exalted the time-honoured relations between the peoples of India and Vietnam and underscored the possibilities for further promotion of cooperation in many fields between the two countries.

Tran Vy conveyed to the vice president greetings from State Council President Truong Chinh and other Vietnamese state leaders. He expressed the Vietnamese Government and people's heartfelt thanks to the Indian Government and people. He said he believed that the friendship and cooperation between Vietnam and India will further develop, thus helping Hanoi to play still better its role as the industrial centre of the whole country.

The delegation was then cordially received by Mayor of New Delhi Mahinder Singh Saathi, and other officials of the city council.

Tran Vy held talks with Industry Minister N. D. Tiwari. The two sides rejoiced at the development of cooperation between the two countries in many industrial sectors, state as well as private, and agreed that objectives and sectors should be defined more clearly in order to promote long-term cooperation.

Tran Vy expressed the hope that India will help Vietnam develop heavy industry, food processing and consumer goods industries. The minister said that India can help Vietnam develop small, light and heavy industries.

CSO: 4200/696

INTERNATIONAL RELATIONS, TRADE AND AID

SOVIET OFFICIAL COMMENTS ON SOVIET FAR EAST-VIETNAM TRADE

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 29 Jun 83 p 4

[Article written for SAIGON GIAI PHONG by Valerie Chichokanov, Information Officer of the Academy of Sciences of the Soviet Union and Director of the Economic Research Institute of the Soviet Far East Science Center of the Academy of Sciences of the Soviet Union: "The Soviet Far East Cooperates in Production With Vietnam"]

[Text] The resolutions of the 26th Congress of the CPSU delineated effective measures to rapidly develop the Soviet Far East. The richest natural resources are being brought into circulation in the national economy at a greater rate than in the other sectors. At the same time, the mining, forestry, wood processing, and metallurgy sectors will also be developed there.

At present, a considerable number of problems are being encountered in developing the Soviet Far East area. Trade relations with foreign countries, especially the socialist countries in Asia, including the Socialist Republic of Vietnam, play an important role in developing that area.

Nearly one-fifth of all exports from the Soviet Far East to the fraternal Asian countries go to Vietnam. Those exports include cement, forest products, canned fish, and machinery. The principal exports from Vietnam to the Soviet Far East include fresh vegetables and fruit, bananas, watermelons, pineapples, tea, and peanuts.

The relationship between the Soviet Far East and Vietnam is many-faceted and is developed on the basis of mutual benefit. But the scale and forms of that cooperation still do not correspond to the existing capabilities of the two sides. That matter was brought out in the Vietnam-Soviet seminar held in December 1982 in Ho Chi Minh City.

The areas of the Soviet Far East have many natural resources and notable industrial potential, but the severe weather conditions have created considerable difficulties for the production of the necessary quantities of agricultural products.

The Socialist Republic of Vietnam is situated in the tropics, an area suitable for the growing of vegetables, fruits, medicinal plants, and raw materials for industry. The country has a plentiful manpower pool, highly developed small

industry and handicraft trades, and many installations which produce artistic goods. In Vietnam there are all necessary conditions for developing tourism and resort areas. But Vietnam does not yet have sufficient raw materials reserves to utilize its potential. Therefore, the development of trade between the Soviet Far East and the Socialist Republic of Vietnam should concentrate on such cooperative forms as jointly setting up production-export installations with appropriate structures, the shipment of raw materials from the Soviet Far East to Vietnam for the production of finished products, and joint investment in the construction and equipping of tourist facilities and resort areas in Vietnam.

The continuing study of matters regarding labor cooperation, especially in such spheres as machine building and the production of wood items, is worthy of attention. The Soviet Far East areas are concerned with the purchase of the various kinds of precious wood to meet the needs of the wood industry. It is also possible to produce plywood, lumber, and wood products in Vietnamese enterprises for export to the Soviet Far East. It would also be rational if the Vietnamese enterprises organized the production of machinery parts and components and then sent them to be assembled in the machine-building enterprises in the coastal area and in Khabarovsk in the Soviet Union. The organization of production cooperation between the Socialist Republic of Vietnam and the areas of the Soviet Far East in the development of Vietnam's small industry and handicraft sectors, is also one of the directions now receiving attention.

The two sides benefit mutually from the development of maritime trade relations, including the shipment to Vietnam of a number of food products, manufactured consumer goods, and goods to serve daily life, and the importation from Vietnam of agricultural products and the various kinds of small industry and handicraft products.

More succinctly, at present there are all capabilities and conditions for developing extensive, mutually beneficial economic relations between the Socialist Republic of Vietnam and the Soviet Far East.

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CSO: 4209/219

INTERNATIONAL RELATIONS, TRADE AND AID

HANOI RAPS PRC FOR INTENSIFYING BORDER TENSIONS

OWO31915 Hanoi International Service in Mandarin 1130 GMT 3 May 84

[Talk on current events: "From Faka Shan to Zheyin Shan"]

[Text] On 28 and 29 April, three regiments under Division No 40 of the XIV Corps of the Chinese Kunming Military Region repeatedly intruded into Heights 1509, 772 and 233 in Vi Xuyen District in Vietnam's Ha Tuyen Province under the pretext that Vietnam had invaded Zheyin Shan area in China's Yunnan Province.

As is universally known, to pave the ground for seizing Faka Shan, the Chinese ruling clique launched a propaganda campaign in May 1981. Chinese border residents should be clearly aware that Faka Shan, which is 1 kilometer inside Vietnamese territory, belongs to (?Cao Loc) and (?Dong Dang) Districts in Vietnam's Lang Son Province. But China's Faka Shan is 10 kilometers east of (?Dong Dang) District, a (?strategic) area of Vietnam. To seize this area at any cost, the Chinese leaders extended their Faka Shan into (?Dong Dang) District in Vietnam, which is more than 10 kilometers away from its original location. According to the confessions by captured Chinese soldiers, Chinese army commanders and fighters knew that (?Dong Dang) District is Vietnamese territory and they were puzzled by the location of Faka Shan. But, the Chinese rulers issued an order to take Faka Shan regardless of its location because, once taken, it would be helpful for deploying troops and discovering enemy positions.

Under the same pretext, Chinese troops invaded height 1800 in Vi Xuyen District in Vietnam in 1981. The Chinese leaders raised the same hue and cry: Vietnam is invading China; China must counterattack to defend itself. At that time the Chinese press published a report about a platoon leader of (a border unit) being introduced to a woman in Yunnan. But the latter rejected the marriage offer on the grounds that he was stationed [words indistinct]. This means that she would not marry a Chinese armyman invading and stationed in the territory of another country.

At present the Chinese propaganda machinery has launched another campaign on Zheyin Shan. All of a sudden, Zheyin Shan in Yunnan has extended itself into Vi Xuyen District in Vietnam's Ha Tuyen Province. Nobody knows how far it will extend in Vietnam.

During Reagan's visit to China, the Chinese and American sides exchanged toasts and (?conspired) schemes against the Soviet Union, Vietnam, Kampuchea and Laos.

At the same time, China fiercely bombarded villages, plains and inhabited points in the northern Vietnamese provinces in an attempt to nibble at Vietnamese territory by force. According to a UPI dispatch on 1 May, at Sino-U.S. talks on 28 April, Deng Xiaoping briefed Reagan of China's recent attacks on Vietnam. (?Another foreign news agency) said: No wonder China decided to escalate the war after Reagan's visit.

The month-long war in the Vietnamese-Chinese border which was started in 1979, 1 month after Deng Xiaoping's visit to the United States, and the accompanying Chinese propaganda war must still be fresh in people's memory. What was ludicrous was that Hu Yaobang and other Chinese leaders still claimed that China did not want an inch of territory from another country. A war of aggression against another country and war without a cause is doomed to encounter severe punishment. In the end, the Chinese and the Vietnamese people are the victims.

The Vietnamese people have always cherished Vietnamese-Chinese friendship. They shared weal and woe with the Chinese people in the anti-imperialist war and jointly opposed saboteurs of Vietnamese-Chinese friendship. The Chinese leaders' act of undermining Vietnamese-Chinese friendship runs counter to the Chinese people's aspirations, interests and revolutionary tradition. The Chinese people will certainly stop their rulers' criminal activities.

CSO: 4200/696

INTERNATIONAL RELATIONS, TRADE AND AID

HANOI RALLY ON TRAINING VIETNAMESE IN CSSR

AU191153 Prague RUDE PRAVO in Czech 18 Apr 84 p 7

[Bohuslav Vorovicka dispatch from Hanoi: "Thirty Fruitful Years; Czechoslovak Assistance in the Training of Vietnamese Experts"]

[Text] Hanoi, 17 April--In the past 30 years, more than 3,000 Vietnamese have acquired a university education or a scientific degree in Czechoslovakia. Many of them now work in leading positions in production enterprises and scientific and research institutions throughout the SRV. On Tuesday [17 April], a festive rally was held in Hanoi to mark the 30th anniversary of cooperation in the training of Vietnamese experts in the CSSR.

Aside from representatives of universities, scientific and research institutes, and production enterprises, the festive rally was attended by some 200 former students who acquired their higher education in our country.

Since 1954 when the first group of Vietnamese students arrived in Prague, their numbers have been gradually increasing and currently about 120 young people from the SRV arrive in the CSSR annually to study at our university-level schools.

Particularly appreciated are Czechoslovak-trained experts in engineering, the textile and electrotechnical industries, and health care. Apart from those who, after their return to the SRV, join production enterprises, Czechoslovakia also trains scientists, many of whom today work in the National Center for Scientific Studies and in the Hanoi Institute of Social Sciences.

As Mai Huu Khue, SRV vice minister of higher and vocational education, declared at the rally in Hanoi on Tuesday, graduates of Czechoslovak university-level schools, well-trained and highly qualified in their professions, can be found at all major construction projects and in the most important factories and institutions in Vietnam. For their important contribution in training experts for Vietnam, seven Czechoslovak scientific and educational establishments were awarded the SRV Order of Friendship.

The delegation of the Ministry of Education of the Czech Socialist Republic, led by Vaclav Cisar, first deputy minister, was received in Hanoi on Tuesday by Vo Nguyen Giap, vice chairman of the SRV Council of Ministers. In his talks with the delegation, the Vietnamese representative expressed appreciation for the CSSR's assistance to Vietnam, including its selfless contribution to the development of educational standards in the SRV.

INTERNATIONAL RELATIONS, TRADE AND AID

UNICEF-SPONSORED NUTRITIONAL POWDER FACTORY BEGINS PRODUCTION

Hanoi LAO DONG in Vietnamese 5 Apr 84 p 1

[Unattributed article: "A Factory for Our Children"]

[Text] Mothers who are now raising small children have received happy news: the Nutritional Powder Factory, which UNICEF helped us build in the city of Nam Dinh, has been inaugurated and has begun full production.

It is the first and largest powder factory in our country and the fourth such factory in the world provided by UNICEF to produce nutritional powder for children 3 to 36 months old.

Many production phases of the factory, which has a capacity of 12,000 tons a year, are automated, so it needs only 200 workers. The first 176-ton, high quality batch of powder has been sent to a number of day-care centers north of Binh Tri Thien. The Ministry of Food Industry and the responsible organs are taking steps to rapidly and appropriately distribute products to all day-care centers in the nation.

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CSO: 4209/251

INTERNATIONAL RELATIONS, TRADE AND AID

BRIEFS

THREAT TO WORLD PEACE--U.S. President Ronald Reagan is warmly welcomed in Beijing. With this China visit by Reagan following the U.S. visit by Chinese Premier Zhao Ziyang, Beijing and Washington plan to strengthen their collusion against the Soviet Union, the socialist community, and peace and progressive forces in the world. For this purpose, before his arrival in Beijing, U.S. President Reagan slandered the Soviet Union and called on China and other countries in the Pacific to cooperate with Washington against the Soviet Union. But reality flatly rejects Reagan's slanders. For more than 60 years since its coming into being, the Soviet Union has never waged an aggression against other countries. Meanwhile, the United States and other imperialist countries have waged 120 direct or indirect invasions of many countries since the second world war. No Soviet military bases are present outside its territory, while the United States has 1,200 military bases and 1.5 million U.S. troops stationed around the world. In strengthening their collusion, the United States and China are becoming a dangerous threat to world peace. [Text] [BK271146 Hanoi International Service in English 1000 GMT 27 Apr 84]

JAPANESE EMPEROR GREETED--Hanoi VNA 28 April--President of the State Council Truong Chinh has sent his greetings to Emperor of Japan Hirohito on the occasion of his birthday. [Text] [OW281848 Hanoi VNA in English 1528 GMT 28 Apr 84]

OUTGOING FRG ENVOY--Hanoi VNA 29 April--President of the State Council Truong Chinh today received Klaus Vollers, ambassador extraordinary and plenipotentiary of the Federal Republic of Germany, who paid him a farewell visit before leaving Vietnam for home for a new assignment. Also present on the occasion was Nguyen Viet Dung, chief of the Office of the National Assembly and State Council. [Text] [OW291755 Hanoi VNA in English 1518 GMT 28 Apr 84]

HAIPHONG WHIRLWIND--Hanoi VNA 30 April--President of the State Council Truong Chinh today received a message of sympathy from Ramiz Alia, president of the Albanian People's Assembly, over the losses caused by the recent whirlwind to the Vietnamese port city of Haiphong. [Text] [OW301948 Hanoi VNA in English 1518 GMT 30 Apr 84]

MEDAL TO FRENCH JOURNALIST--Hanoi VNA 3 May--Vietnamese Ambassador to France Mai Van Bo conferred in Paris on 30 April the First Class Resistance Order on Madelaine Riffaud, a French communist writer and journalist, in recognition of her meritorious contributions to the national liberation fight of the Vietnamese people. Present on this occasion were Gaston Plissonnier and Maxime Gremetz, both Political Bureau members and secretaries of the French Communist Party

Central Committee; Henri Krasucki, Political Bureau member of the FCP and secretary general of the French General Confederation of Labor (CGT); Etienne Fajon and Henri Martin, members of the FCP CC and others. Ambassador Mai Van Bo recalled the tireless activities of Madelaine Riffaud in the past 40 years in support of the liberation fight of the Vietnamese people. He said that her deeds were a noble manifestation of the fraternal friendship that has always bound the communists and peoples of Vietnam and France. He further recalled that Madelaine Riffaud was one of the first foreign communist writers and journalists to visit the guerrilla bases of the Vietnamese people in the south during the resistance to the U.S. neo-colonialist war. In her acceptance speech, Madelaine Riffaud expressed her deep impressions of the Vietnamese party and people, especially her indelible memories of President Ho Chi Minh. [Text] [OWO32014 Hanoi VNA in English 1542 GMT 3 May 84]

REAGAN'S VISIT TO PRC--Today's issue of NHAN DAN publishes on page 4 an article entitled: "Reagan in Beijing," which says: On 26 April, U.S. President Ronald Reagan arrived in Beijing at a time when many American movies were being shown in that city and when Chinese authorities were urging women to use American shampoo. Li Xiannian, who has had to swallow a bitter pill--the Taiwan issue--which was force-fed by the United States, met with Reagan for more than 30 minutes. Both sides shared the same view on the political and economic importance of the Pacific region and advocated opposing the Soviet Union, the socialist community, and the independence and sovereignty of other nations. On 27 April, Reagan held two talks with Zhao Ziyang and one with Hu Yaobang. In their 90-minute meeting, Zhao and Reagan discussed bilateral and international issues. Reagan called on China to side with the United States. The issues of U.S. arms sales to Taiwan was also discussed by Reagan and Zhao Ziyang. [From the Press Review] [Text] [OW281323 Hanoi Domestic Service in Vietnamese 1000 GMT 28 Apr 84]

RESCUE OF SRV FISHERMAN--According to the Soviet News Agency TASS, on 29 April a Vietnamese fishing boat was drifting in the Indian Ocean. Waves wrecked the boat's bulwarks, and the people on the boat, after 2 days of struggling against storms, had no hope for rescue. The Soviet fishing vessel ("Yemlensk") discovered this wrecked boat and immediately changed direction toward the boat. A lifeboat was lowered into the sea with a rescue team of six crewmen. Struggling in the stormy sea, the Soviet crewmen rescued a total of 46 Vietnamese fishermen. [Text] [BK020749 Hanoi domestic Service in Vietnamese 0400 GMT 1 May 84]

CSO: 4209/256

PARTY ACTIVITIES AND GOVERNMENT

NHAN DAN EDITORIAL MARKS INTERNATIONAL LABOR DAY

OWO11829 Hanoi VNA in English 1518 GMT 1 May 84

[Text] Hanoi VNA 1 May--The Vietnamese people have great possibilities of bringing changes in the situation, of fulfilling the socio-economic tasks set by the communist party and state, says NHAN DAN in its editorial marking International Labour Day today.

The paper says that May Day this year comes to the Vietnamese people while they are celebrating the 30th anniversary of the Dien Bien Phu victory, the 9th anniversary of the great victory of Spring 1975--"historic victories which are forever the pride of our nation, of progressive mankind as a whole."

"These victories have also paved the way for our country to win independence and achieve its reunification and advance to socialism" the paper says.

It continues: "With pleasure and confidence, the Vietnamese people are trying to overcome all difficulties and have won great successes in carrying out the two strategic tasks: building socialism and defending socialist Vietnam.

"In the light of the resolution of the fifth congress of the communist party of Vietnam and the resolutions of the party Central Committee, the struggle to change the socio-economic situation of the country is taking place daily, even hourly. We have made new achievements and progress in production and construction, in agriculture, industry, distribution and circulation.

"The material and technical foundation of socialism, the strength of our economy and national defence has daily increased.

"The militant solidarity, cooperation and mutual assistance between Vietnam and Laos and Kampuchea, between Vietnam and the Soviet Union and other socialist countries, have constantly developed.

"Together with the three revolutionary currents of our time, the Vietnamese revolution is advancing steadily. The socio-economic tasks laid down by the party have been fulfilled step by step."

For a stable and better life of the people, the paper says, an urgent step is to mobilize all able-bodied people to join in production activities, to work with a high sense of discipline, high skills and efficiency, and with the spirit of collective mastery.

The paper underscores the importance of further improving economic management.

The paper calls for "constant vigilance against, and determination to thwart the multi-faceted war of sabotage of the enemy, and for readiness to defeat any war of aggression of whatever scale eventually triggered by the Chinese expansionists in collusion with the U.S. imperialists, in order to build and firmly defend our motherland-socialist Vietnam."

CSO: 4200/696

ECONOMIC PLANNING, TRADE AND FINANCE

SOCIALIST COMMERCE SAID TO DOMINATE HO CHI MINH CITY TET MARKET

Paris DOAN KET in Vietnamese No 358, Apr 84 p 25

[Article by "G. L.": "Socialist Commerce Masters the Market"]

[Text] Every year, with the arrival of Tet prices increase very rapidly, especially in Ho Chi Minh City. Opposing price-increasing speculation activities by the private merchants and stabilizing market prices at Tet are also functions of socialist commerce, with its network of cooperatives and state stores. It is a struggle which is not, of course, simple, as previous Tets have demonstrated: when the Municipal Commercial Service maintained the prices of some goods the prices of other goods fluctuated, and when it maintained prices throughout the final lunar month, during the last few days (the 28th and 29th of the Tet period) prices suddenly increased.

After monitoring the market situation throughout the 1984 Tet period, Nam Thach, in an investigatory report published in the newspaper TUOI TRE on 7 February 1984, observed that "The prices of all Tet goods, such as cakes, candied fruit, watermelons, rice, pork, ready-to-wear clothing, etc., were not only maintained but, on the 27th day of the Tet month the city's socialist commerce sector did something very nice which greatly pleased the people: it lowered the prices of a large number of Tet goods by between 5 and 20 percent. For example, the price of lean pork was reduced from 180 dong per kilogram to 170 dong per kilogram, the prices of all kinds of candied fruit were reduced by between 10 and 30 dong per kilogram, etc.

Speculating Private Merchants Have "Big Sale"!

Have the speculators "given up" and decided to lay low this year? No. According to Nam Thanh's article, during the very first days after the opening of the Tet market the speculators sent people to buy up all the state goods, with the intention of cornering the market once the state goods had dried up. This is what happened with regard to candied fruit. On the morning of the 28th day of the Tet month, because deliveries to the Ben Thanh and Binh Tay markets were late candied fruit (especially such high-grade goods as lotus seeds and water chestnuts) were sold out and prices on the free market immediately increased by from 10 to 25 dong per kilo. (The speculators thought that the time had come for them to act and didn't suspect that just a few hours later candied fruit would again be plentiful at all the stands).

The same was true with regard to watermelons. On the morning of the 27th day of the Tet month the wholesalers in precincts 5 and 6 intended to increase the prices of first-class melons to 180 dong, and then to 200 or 250 dong each. But anyone who passed along Hai Thuong Lang Ong Street could see that the private watermelon stalls were still full of melons and displayed signs which said "Big Sale: 25 Dong Per Melon." The price of candied fruit also declined to 60 dong per kilo. (Those melons and candied fruits had been hoarded so that the private merchants could rake in the money at the last minute, but they did not suspect that the socialist commerce stores still had plentiful supplies, so they had to sell at a loss in order to recover their losses).

Then, on the second day of Tet,, a number of places took advantage of the fact that the state stores had not yet opened to increase the price of pork to 200 dong, and then 230 dong, per kilo. But just a day later price was pulled back down.

The investigatory article also mentioned a number of other tricks, such as collusion in order to take advantage of the status of cooperative (in subprecincts 2 and 12 of Precinct 5) to win contracts to produce candied fruit, then exchange or adulterate the raw materials and deliver poor-quality candied fruit, to market false liquor, ersatz tea, etc. (But nearly all of those schemes were aborted by the positive activities of the joint control committees).

Factors Which Determine Victory

Throughout the Tet period a fierce struggle "Took place continually, every hour and every minute." Nam Thanh, who attended discussion meetings the Tet guidance committees in the precincts, described "a seething atmosphere with news of prices and the quantities of goods in warehouses arriving by the hour; orders to transfer goods from one place to another; and orders to release one product and restrict another." On the busiest days the stores and stalls sold goods until midnight. Then another shift worked all night taking inventory and preparing the goods so that the stores could open at the crack of dawn the following morning. On the night of the 30th day of the Tet month practically all of the state stores were still open. On the morning of the second day of Tet about 30 percent of the pork stalls, such as the cooperatives of Subprecinct 17 in Precinct 5 and Subprecinct 16 in Precinct 10, the Fresh Food Store in Phu Nhuan Precinct, etc., resumed operations and on the third day of Tet practically all of them had reopened.

The investigatory report dealt with the decisive factors in the recent Tet price struggle:

1. The quantity of goods controlled by the state, which was twice that of Tet 1983.
2. The development of the state retail network at the Tet markets, which totalled 170 locations and 501 stalls.

3. Unified guidance and the mobilization of combined strength by the localities, the cooperative sector, and the state commercial sectors in purchasing as well as in selling.

Furthermore, this year each household in the city was distributed a very great quantity of goods by the cooperative command sector. Eighteen goods valued at about 700 dong were distributed to households in the city and 15 goods valued at 600 dong were distributed to households in the suburban areas. In addition, the cadres, workers, and civil servants were distributed notable quantities of additional goods. Those efforts served to lessen the need to purchase goods on the free market and avoid the situation of private merchants taking advantage of the opportunity to increase prices.

According to Nam Thanh, "It may be affirmed that socialist commerce won a victory in the struggle to stabilize prices during the recent Tet period." Because of the struggle during the 1984 Tet period prices were maintained and socialist commerce in Ho Chi Minh City became stronger and gained more experience. "Order was gradually restored in distribution and circulation, which created momentum for stabilizing the market in the new year".

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CSO: 4209/251

AGRICULTURE

STEPPING UP INTENSIVE CULTIVATION IN RICE PLANTING

Hanoi KHOA HOC VA KY THUAT NONG NGHIEP in Vietnamese Dec 83
pp 531-537

[Article: "Further Stepping up Movement To Practice Intensive Cultivation in Rice Planting "]

[Text] Along with the victories scored on the economic and social fronts, agricultural production in recent years underwent changes and made very encouraging achievements. On the grain production front, particularly on the rice production front, we scored successive and extremely significant victories, created new possibilities and brought about new factors as we were moving toward firmly resolving our country's food problem.

Fully understanding the view on intensive cultivation, multicropping and extension of cultivated areas in the agricultural development policy, the people in all localities throughout the country showed their dynamic quality, creativity and untiring struggle and were able to score success in growing crops. So far the country has completed 7 rice crops in the first 3 years of the 5-year 1981-1985 plan. In the last seven seasons, although there were no great changes of weather, the years were far from totally favorable as the crops were all different from one another, with good conditions happening in some localities but difficulties in others, or with difficulties occurring at the beginning, in the middle or at the end of a season, and conditions in connection with the material base and technical materials being quite limited. In spite of all that, the country as a whole still obtained rice crops that offered high yields and every year were better than in the preceding year. For the first time in 2 consecutive years, 1981 and 1982, we fulfilled and overfulfilled the goals set for grain production.

The success in the recent rice crops was due to the fact that many localities had been striving to raise crop-yield uniformity. Many provinces and municipalities, which had been encountering difficulties and had had poor production, were able to move forward and to reach new crop-yield peaks.

In the Red River delta, which is a region where intensive cultivation is traditionally practiced in rice growing, many provinces obtained more than 5 tons of paddy per hectare per year. Emulating Thai Binh, which had obtained for the first time a crop yield of 5 tons on a provincial scale, now Hai Hung, Ha Nam Ninh, Hanoi and Haiphong have surpassed the annual goal of 5 tons of paddy. The average crop yield in the entire region in 1982 was 29.9 quintals per hectare per crop, an increase of 7.1 quintals/hectare compared to 1980. In the 1982-1983 winter-spring season, the yield was 34.3 quintals/hectare, an increase of 9.3 quintals/hectare compared to the 1979-1980 winter-spring season, and of 2.7 quintals/hectare compared to the 1975-1976 winter-spring season, which until then had been the best one. The province that showed a fast increase of crop yield was Ha Nam Ninh -- 11.9 and 3 quintals/hectare compared to the 1979-1980 and 1975-1976 winter-spring seasons, respectively; Haiphong showed an increase of 12.6 and 9 quintals/hectare compared to the 1979-1980 and 1975-1976, respectively.

The Mekong River delta, which is one of the largest key rice-growing regions in the country, had more and more typical models having obtained very high crop yields. In 1982, the average yield in the region as a whole was 25.6 quintals/hectare/season, an increase of 2.6 quintals/hectare compared to 1980.

The provinces in Region 4 and the coastal areas in Region 5, which had encountered many difficulties in production, were moving forward in recent years and achieving considerable development in the movement to practice intensive cultivation for raising rice crop yields. The average rice crop yield in Region 4 in 1982 was 20.1 quintals/hectare, an increase of 6.5 quintals/hectare/season compared to 1980. The coastal provinces in Region 5 not only were concerned about the intensive-cultivation movement but also were actively extending the areas that accommodated 3 rice crops per year. The districts of Dien Ban and Dai Loc (Quang Nam-Da Nang) and An Nhon (Nghia Binh) created many typical models, with many cooperatives having obtained from their ricefields 15-20 tons/hectare/year. Dai Phuoc Cooperative (Dai Loc District in Quang Nam-Da Nang Province) obtained very high yields in all 6 seasons in the last 2 years. In 1982, it obtained an average of 200 quintals/hectare in all 3 seasons; in 1983, the 3 seasons yielded 216 quintals/hectare, the highest rice crop yield in the country.

In the midlands of the North and in eastern Nam Bo, the wet-rice areas were not very large. Overcoming difficulties and creating favorable conditions for themselves, the localities in these two regions were striving to practice intensive cultivation where conditions permitted. The yield as obtained in the midlands in 1982 was 23.4 quintals/hectare/season, an increase of 2.5 quintals/hectare compared to 1980. Eastern Nam Bo obtained a crop yield of 22.08 quintals/hectare, an increase of 2.3 quintals/hectare compared to 1980.

The highland provinces in the North also had rice crops of high yields. In 1982, the region as a whole obtained an average yield of 20.2 quintals/hectare/crop.

Three Central Highland provinces created all the favorable conditions necessary for extending the areas of wet rice. In 1976, the area of winter-spring rice was only 3,000 hectares, but the region as a whole later raised it to 19,000 hectares. Although the average rice crop yields obtained by these provinces were not very high (16.2 quintals/hectare in 1982), the recent years offered still the highest yields.

The intensive cultivation movement in our country has been going on for quite a long time and has grown both in breadth and in depth. In 1966, Thai Binh was the first province having obtained a crop yield of 5 tons of paddy/hectare in the whole year. In 1982, there were 7 provinces and municipalities having obtained a crop yield of 6 tons/hectare in the whole year: Haiphong, Hai Hung, Thai Binh, Phu Khanh, Tien Giang, An Giang and Quang Nam-Da Nang.

At the district level, in 1965 there were only 7 districts having obtained 5 tons of paddy/hectare in the whole year. In 1982, as the districts having obtained more than 5 tons became common, the number of districts having obtained 6-7 tons of paddy/hectare was greatly increased. More particularly, 5 districts having obtained 9-10 tons of paddy/hectare in the whole year were Hong Ngu, Dien Ban, Dai Loc, An Nhon and Duy Xuyen.

The number of cooperatives and production collectives having obtained high crop yields was increasing everyday. In 1969, there were only 3 cooperatives having obtained more than 8 tons of paddy/hectare in the whole year: Tan Phong and Dong Xuan (Thai Binh) and Mo Lao (Ha Tay). So far more than 500 cooperatives and production collectives have obtained 8 tons of paddy or more per hectare. Of those cooperatives and production collectives 108 obtained more than 9 tons and 34 cooperatives, more than 10 tons/hectare/year. More particularly, 13 cooperatives obtained more than 12 tons of paddy/hectare/year. There appeared in Quang Nam-Da Nang some cooperatives that obtained very high crop yields: Dai Phuoc having obtained 20.2 tons and Dai Dong-2 15.2 tons/hectare/year.

The realities in the intensive cultivation movement lately affirmed that the policy of attaching importance to intensive cultivation was extremely correct. While the population was quickly increasing, the cultivated areas were still small and the efforts to extend the rice-growing areas by opening new land still encountered many difficulties, there was no other choice in order to quickly resolve the grain problem than to practice intensive cultivation and multicropping. The typical models of good intensive cultivation in all regions and localities were no longer scarce but have become quite common and have

appeared on a larger scale -- in entire provinces and districts. Not only in the regions having long traditions of practicing intensive cultivation, such as the provinces in the Red River delta and along the banks of Tien and Hau Rivers in the Mekong River delta, but also in the ones having always encountered production difficulties, such as the midlands, the highlands of the North, the Central Highland provinces, the coastal areas of Regions 5 and 4 and eastern Nam Bo, there appeared typical models having obtained very high and steady crop yields. The realities as shown in such intensive cultivation examples also proved that intensive cultivation could be practiced anywhere and that all localities should practice it to obtain high crop yields. In the areas of alkali and saline soil of Minh Hai, Kien Giang and Ben Tre Provinces, where only one rice crop was grown per year, there also were villages, hamlets and production collectives having obtained a crop yield of 5 tons/hectare/crop. In the provinces of Regions 4 and 5, which had long been considered localities of hardship and difficulties in production, there now appeared typical models having obtained very high yields of 15-20 tons of paddy/hectare/year. The Central Highlands, the midlands and the highlands in the North, where production conditions had been difficult, also had examples of high rice crop yields.

In recent years, although the rice-growing areas increased very negligibly, the practice of intensive cultivation that raised the rice crop yields made decisive contributions to raising the gross grain production. The average per capita grain production was increasing steadily: 268 kilograms in 1980, 274 kilograms in 1981, 296 kilograms in 1982 (with the annual rate of population increase of more than 2 percent).

As production was increased, contributions to the state have greatly increased too. The average volume of grain delivered under obligation in the intensive-cultivation regions varies from 1.9 to 2.7 tons per hectare of rice crop. The grain (mainly paddy) purchased by the state has never reached the large volume of today. For the first time we have fulfilled the minimum need for grain in the country and have kept some reserve. That is a success of extremely great significance we have made as the result of the nationwide intensive cultivation movement. This success is also a new milestone on the road we continue to take to move our country's intensive-cultivation agriculture in new steps.

From the intensive cultivation movement to boost rice crop yields have appeared many typical models and extremely abundant experiences in leadership over intensive cultivation. The realities that have been shown in so many forms are extremely dynamic and greatly vary from one locality to another. Here we mention only the common experiences, for the purpose of having an exchange of ideas.

The experience of the localities that excel at intensive cultivation show that we must make every laborer realize the role and need of intensive cultivation and thereby direct all activities toward the goal of achieving intensive cultivation. We may say that intensive cultivation is a product of the three revolutions in agriculture, for it must create material conditions and scientific and technical progresses in the scientific and technical revolution; transform the old thinking and habits of working people, and raise their capabilities of all kinds, hence, help to carry on the cultural and ideological revolution; and as an absolute necessity carry on the revolution in production relationships in order to mobilize the strength of the collectives and to create new energy for the intensive cultivation process.

On the basis of thoroughly understanding the intensive cultivation guidelines, we must promote self-reliance and the spirit of not relying on others and waiting. Intensive cultivation is the process of using in a combined manner all factors consisting of material conditions (fertilizers, insecticide, water conservancy, seeds, draft power, etc.), synchronized technical measures and even such matters as organization, leadership, supervision and also the psychology and habits of working people. Only with self-reliance can we creatively and positively resolve the problems facing the need for intensive cultivation. The realities of the past years have shown that those localities that were capable of controlling the production situation always succeeded in their task.

At the beginning of the 1983 winter-spring season, in spite of the bitterly cold weather in the northern provinces that created difficulties for the production of rice seedlings and led to shortages of seeds in many production installations, quite a few cooperatives still tried to be self-sufficient in seeds, good seeds, and as a result still succeeded in obtaining higher crop yields. As chemical fertilizers were supplied only in small quantities, many cooperatives in the central coastal provinces adopted the policy of vigorously encouraging on-the-spot making of organic fertilizer for use in intensive cultivation.

To actively anticipate difficulties right at the beginning of a season is the most positive measure that many production installations and localities pay great attention to. And this is also one of the reasons for being able to ensure crop yields in the intensive cultivation of rice.

We must ceaselessly strengthen the material, biological and technical base and consider it one of the factors that directly boost rice crop yields. The cooperatives and districts that have good intensive-cultivation capabilities are the ones that have succeeded in steadily maintaining the practice of intensive cultivation. It was not a coincidence that such cooperatives as Nguyen Xa (Dong Hung District), Vu Thang (Kien Xuong District) of Thai Binh Province, Hai Van (Hai Hau District) of Ha Nam Ninh Province, etc. obtained the

highest yields among the northern provinces. Following decades of improvement of farm land and construction of networks of water conservancy works, canals and ditches, these localities spent millions of dong of self-supplied capital and millions of working days provided by local manpower for digging and building hundreds of thousands of cubic meters of earth to have a perfected network of canals and ditches and to build farm land as it is today, thus creating favorable conditions for accepting new technical progresses and new seeds and practicing intensive cultivation to obtain high yields. Dai Phuoc, Dien Tho 1 and very many other cooperatives in the coastal provinces in Region 5 spent quite a great deal of energy to get a water conservancy network for self-sufficiency in scientific watering and drainage.

In order to have good seeds we must have people who work with seeds and installations that produce and store seeds in accordance with standard requirements. In order to ensure the quality of soil preparation and on-schedule work, we cannot fail to take care of increasing draft power for cooperatives and production collectives. As the mechanization of soil preparation remained limited, our cooperatives had been actively maintaining balanced draft power by buying additional animals and encouraging cooperative members to raise buffaloes and cattle both for breeding purposes and providing draft power, which along with the collectivized draft power would ensure successful completion of the soil-preparation program. Communications in the fields and rural areas are also an important factor that contributes to intensive cultivation. In order to bring thousands of tons of organic fertilizer to the fields and to bring products to storehouses we cannot use rudimentary tools but instead must use improved vehicles or animal-drawn carts in order to do the job quickly. The localities that have not yet practiced intensive cultivation and still obtain low crop yields normally do not have a network of roads in the fields or have not yet paid attention to improving or building one.

In short, both the realities and theories have pointed out that the basis for practicing intensive cultivation must be ceaselessly strengthening the material, biological and technical base and always attaching importance to perfecting the material factors, particularly the ones that directly affect agricultural production and intensive cultivation.

One of the lessons learned from the outstanding intensive cultivation models is that they have boldly and quickly applied the uniform progressive techniques ranging from adopting crop allocation for different types of soil, using appropriate high yielding rice varieties recognized by the state, attaching importance to crop-growing schedule, ensuring planting thickness and regulating water conservancy to using more fertilizer, providing care and protection and even harvesting and resisting spilling and losses.

Everybody knows that the rice-growing technique mainly has to do with carrying out on a continuous basis such technical programs as "first is time, second is care" and "water, fertilizer, labor and seeds." The secrets that lead to success in getting high crop yields are knowing how to apply in a creative and dialectical manner such intensive-cultivation factors to different seasons and different types of soil and patiently organizing leadership to achieve them at any cost.

The cooperatives that obtained high crop yields were the ones that had properly done the job of investigating and classifying their land, on that basis had determined appropriate crop allocation and had pursued good fertilizing and watering procedures. Even in the areas of alkaline and saline soil of Minh Hai and Kien Giang Provinces, where the only source of water is water from the sky and only one crop used to be grown in the rainy season, in order to practice intensive cultivation the people knew how to change the planned allocation of rice varieties by dropping the long-term tenth-month variety and replacing it with the mid-tenth-month rice and thus were able to raise the yield from 2 tons to more than 4 tons/hectare/crop. A number of districts in Nghe Tinh and Binh Tri Thien Provinces, where crops had often been lost because of flood or the crop yields had been only about 1 ton/hectare, switched from the unstable tenth-month crop to the summer-autumn rice which, thanks to a high degree of intensive cultivation, would surely be good crop and obtained crop yields of nearly 3 tons/hectare.

In the use of new varieties, we must first of all have appropriate allocation of rice varieties. The cooperatives that practiced intensive cultivation were accepting new rice varieties by getting selected and stable seeds. For them the need to raise the quality of seeds was the first requirement. Good seeds that were not mixed with the poorer ones were a factor that would help to raise crop yields. The experience of the localities that did a good seeds-producing job was knowing how to organize and particularly how to handle seeds. The form of organization of seed production and management had to be based on the purpose of using seeds, which would lead to good seeds. Ordinarily, every production installation must be sure to get at any cost 60-70 percent of the main-crop seeds, with the rest coming from other varieties. But the planned allocation of rice varieties and types of seeds must be considered and determined for different localities, for the experience in using seeds in a certain locality cannot be blindly applied to another locality.

After good seeds we must be sure about the crop-growing schedule. As the principle of crops and their surroundings being a single state indicates, we must be able to select the period of time (or crop-growing schedule) in which rice plants grow most vigorously and offer the highest yield. Today, we have had many examples of creative forms of switching crop seasons, with the appropriate groups of varieties getting the most out of natural conditions and offering the highest yields.

For the North, as each year rice production comes from two crops, it must also attach importance to the crop schedule. The Region 4 provinces must be able to select the winter-spring rice that will head in the optimum time, or the period when the end-of-season cold weather no longer exists and the westerly wind that affects rice crop yields with its velocity is not present yet.

Although the southern provinces can grow rice almost at any time of the year as the climatic and light conditions permit, they should even under such conditions select a period in which rice plants grow most suitably. In a review of the intensive cultivation movement in Song Be Province the following observation was made: if sowing and transplanting of the winter-spring rice had been completed on schedule, it could have raised the rice crop yield by 7-20 quintals of paddy/hectare compared to the localities that had completed them earlier or later. Both scientific tests and the production realities also proved that fact. The southern provinces that grew three rice crops had been paying much attention to the schedule factor and the leadership measures they had taken for strict compliance with it.

In order to comply with the crop-growing schedule we must however take a series of related measures. First of all, there is the soil-preparation program. In order to carry out this program, we must manage to have enough draft power, plows and harrows. We must have seeds, seedlings of the right maturity for transplanting ready; get enough water; and mobilize manpower for doing work on schedule, and so on.

One of the technical measures that help to raise crop yields is to ensure at any cost the thickness of sowing and transplanting. But this sowing and transplanting thickness in turn depends on the types of seeds, seasons, the areas having different light and temperature conditions and also the soil and land in the localities that practice intensive cultivation. The cooperatives that sowed directly (without transplanting), had good intensive-cultivation capabilities and observed the right thickness in sowing always obtained high crop yields. To ensure the right thickness is to try to get the largest number of ears in a given unit area. On the basis of actual conditions in a locality, each season and type of soil, the most appropriate thickness is selected, in order to obtain the highest crop yield at the end.

Fertilizers are a necessary requirement of intensive cultivation. In order to obtain high crop yields we must have large quantities of fertilizers. To develop high yielding rice varieties requires to have fertilizers in sufficient quantities and of good quality. The localities that obtained very high crop yields had used very large quantities of fertilizers: Dai Phuoc Cooperative, which obtained a crop yield of 200.2 quintals/hectare in 3 crops, had used 1,500-1,600 kilograms of chemical fertilizers and 48-50 tons of stable manure (that did not include application by its members of green manure and urine).

However, the decisive question is how to have large quantities of fertilizers and to be self-sufficient in fertilizers from the beginning of a crop season. While the quantities of fertilizers being supplied in accordance with their plans for production were too small, many districts and cooperatives used their own and their members' capital to purchase or exchange for fertilizers outside of their plans. Many districts and cooperatives had more than 50 percent of the sources of chemical fertilizers being exchanged and purchased outside of their plans as the result of their exporting farm products and excluded from their distribution expenses. The Municipality of Haiphong, Ho Chi Minh City, Cuu Long and Tien Giang got most foreign exchange from export of products for importing additional quantities of fertilizers to be used in intensive cultivation. Thus we find that in order to practice intensive cultivation of crops, we must at the same time grow more crops for export.

In addition to increasing the sources of inorganic fertilizers, our localities and production installations were actively taking many measures to produce organic fertilizers (even if we have lots of inorganic fertilizers, they cannot replace organic fertilizers). The cooperatives in the coastal areas of Region 5 adopted the policy of using grain to encourage their members to make stable and green manures. The cooperatives of Hung Nguyen District (Nghe Tinh Province) and of Thai Binh and Hai Hung Provinces succeeded in considerably increasing the sources of fertilizers by linking expenditures contracts with growing azolla. Many cooperatives in Vinh Phu distributed hill land to their members for growing peanut, with pods being harvested by them and stems used to fertilize ricefields. To alter the crop cultivation pattern by growing a crop of beans between two rice crops or growing green-manure plants as overlapping catch crop in a ricefield is also a creative measure to provide sources of fertilizers, to improve the soil and to promote intensive rice cultivation. There are many typical models and unique ways of doing things that are found in every region and every locality.

To have enough fertilizers or large quantities of them but how to apply them to get the greatest results out of them has been a special concern of cooperatives and production collectives. Although there may be large quantities of fertilizers, to apply them incorrectly, not at the right time and in the right way and without balance, not only is a waste as rice plants cannot absorb them all but also leads to abnormal growth. Overgrown rice plants that bend to the ground are a sign of too much nitrogen and lack of phosphate and potash in them. Many cooperatives that are good at intensive cultivation use fertilizers which are pressed into round lumps and placed in the ground around the foot of rice plants to enhance effectiveness and to save fertilizers.

In order to practice intensive cultivation the first thing to do is to resolve the problem of watering and drainage in the fields. The areas and cooperatives that have an established practice of intensive cultivation all have basically

secured their own sources of water and have a network of perfected irrigation ditches and gutters. Only by resolving the water conservancy problem can we create the preconditions for developing the effectiveness of new varieties and fertilizers, taking other technical measures like scientific watering and drainage, being able to actively grow additional crops and to switch crops, and so on.

Having recognized the role of water conservancy, An Giang Province in the last few years was mobilizing manpower for building embankments surrounding ricefields to promote growing additional crops and switching crops and both to fight drought and flood and to assist in intensive cultivation.

Applying the "the state and people do water conservancy work together" motto, many localities have mobilized their own manpower for building reservoirs and additional pump stations for both watering and drainage purposes and digging additional ditches and gutters to satisfy the need to raise rice crop yields through intensive cultivation. However, the water conservancy matter can be properly resolved only on the basis of building the new production relationships, which are the collectivized production relationships.

We must attach importance to tending and protecting our crops. Our farmers' saying, "labor spent for transplanting is negligible, but labor spent for weeding means profit," stresses the important role of tending and fertilizing. As we distribute, make arrangement about and use labor, the fact that we sign contracts with laborers to assign them the tending of crops is aimed at fully using the capabilities of cooperative members' families and their labor in tending rice plants.

In order to protect production, localities and production installations have paid attention to combined measures. To select and use the insect-resistant varieties is also an important move in the intensive-cultivation process. Another positive measure to protect production is to keep insecticide and sprays ready, to set up a forecasting network and to mobilize cooperative members for prevention and control of harmful insects. By experience we know that the most economical measure is to detect harmful insects early and to have plans to destroy them immediately. On the other hand, as to the task of protecting production, the measure that the typical models all attach importance to and remains the most positive one calls for combined preventive and control action.

The lesson that has been learned as success story of the outstanding intensive-cultivation models requires that we attach importance to improving management within the cooperatives, ceaselessly perfecting and raising the new management system in connection with product contracts with labor groups and laborers and, on the other hand, paying attention to organization and supervision.

To correctly organize management is to get the best use out of our labor capabilities and to satisfy the intensive-cultivation needs; to organize and supervise properly will help to ensure execution of our programs in the production process. Dien Tho 1, Dien Tho 3 and in general the cooperatives in the coastal areas of Region 5 are outstanding in terms of organization and supervision. After having signed product contracts with laborers, the management cadres, particularly the ones in production units, maintained tight leadership, adjusted and satisfied on a timely basis the needs of different parts in the production process and, as a result, improved uniformity in production, with all laborers either attaining or surpassing the assigned goals.

Such matters as rezoning land, determining the crop cultivation pattern, reorganizing production factors (means of production, labor), building and perfecting the system of setting economic and technical norms, building and leading production in accordance with the state plan, and so on are all within the management task and have much to do with organization and management of production. Only if organization and management of production is good can production be effective. The localities where there exist outstanding intensive-cultivation models are the ones that have creative and active management cadres, always rely on their own conditions and actual situation, readily and quickly suggest correct policies and select the key programs and important locations for organizing and assuming leadership over execution of work. Only by so doing can we develop the on-the-spot strength, our own strength, reduce the difficulties of the restricting factors, effectively use the strong and favorable factors and bring about the final result, namely, a developed production.

The victories recently obtained in the intensive cultivation movement cannot be separated from the great and important contributions of the service sectors. In a situation and under conditions full of difficulties, these sectors made many efforts to serve agriculture to the best of their abilities. Although the quantities of imported fertilizers were very small, the foreign trade and communications sectors quickly brought them to the production installations that were to actively tend and fertilize their crops; the water conservancy and electric power sectors actively assisted in watering and drainage, and in the fight against drought and flood; the financial and banking sectors acted on a timely basis and created favorable conditions for the cooperatives, production collectives and farmers to borrow capital to buy additional means of production.

Agriculture is a production sector that has to do with other sectors and, therefore, cannot be separated from the service activities of other sectors. As a result, even if we let a single program in the production process fail to run smoothly, it can cause considerable damages to agriculture.

The most important and urgent task in the coming years is to quickly resolve at any cost the grain and food problem and the need to keep some reserve and to strive to attain at any cost the goal of having 19-20 million tons of grain converted to paddy equivalent. In order to achieve that grain production goal we must attach importance to all three aspects: intensive cultivation, multicropping and extension of cultivated areas. Under present conditions and in the long run, intensive cultivation is the most basic direction to take, along with extending the cultivated areas through multicropping and at the same time actively opening new land to increase the cultivated areas. Along this line, wherever the climatic conditions, sources of water, land and labor permit, we must actively extend the intensive-cultivation areas that accommodate two and three rice crops per year.

We advocate intensive cultivation because it is a great potentiality, particularly under present conditions, that allows us to quickly use our capabilities. The production realities of the intensive-cultivation models have shown that our intensive-cultivation capabilities remain very great. While we have high-yield models, even in the areas where conditions are similar the crop yields remain low. The ability to close the gap between the high-yield models and the low-yield units is a reality by itself.

One of the important directions to take as we assume leadership over intensive cultivation is to concentrate on building at any cost the high yielding rice-growing zones. This is a progressive leadership measure aimed at ensuring stable production and increasing the total volume of production of grain and grain commodities. We project that by 1985 we will have built 2 million hectares of high yielding rice-growing land (or 33.11 percent) and that the rice production will have reached 8.51 million tons (or more than 50 percent of the total volume of rice production).

The lessons learned from the intensive cultivation movement and the progressive production units which have obtained good results about crop yields show that their success has been the result of a combined application of the three revolutions, mainly the full understanding of the party line on agricultural development, and of closely combining the new perfected management mechanism with the active application of technical progresses and technical intensive cultivation program to the local conditions; the spirit of self-reliance as they created for themselves the favorable conditions for intensive cultivation; the careful preparations for the material, biological and technical base prior to the start of a crop season; and capable and highly responsible cadres as they readily accepted scientific and technical achievements and effectively carried out the assistance from different echelons and sectors while assuming leadership over the intensive cultivation movement. The realities have also shown that every locality and every unit has its own creativities and experiences.

With their own realities and on the basis of the results they have obtained with the spirit of revolutionary offensive, all localities must step up the movement to emulate the progressive models, widen the experience in practicing intensive rice cultivation in order to have more and more outstanding intensive cultivation units and to obtain high crop yields, further improve the progressive models at the same time, maintain and score anew victories in connection with crop yields, ceaselessly heighten the degree of uniformity in terms of crop yields and thus help to quickly raise the grain output in every region and in the country as a whole.

15 September 1983

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AGRICULTURE

HANOI FOOD CORPORATION MARKETS FRESH MUSHROOMS

Hanoi PHU NU VIETNAM in Vietnamese 28 Mar-3 Apr 84, p 13

[Article by "Quan Sat" (Observer): "Fresh Mushrooms -- a New Product of the Hanoi Food Corporation"]

[Excerpt] In order to have an additional source of protein-rich food for the city's people, and because there was already in existence a widespread retail network which was very convenient for the selling of fresh mushrooms, the Food Corporation, along with Hanoi University and the Vegetable and Fruit Export-Import General Corporation, carried out the growing of three types of mushrooms -- straw mushrooms, "clam" mushrooms, and "fat" mushrooms -- at the Quynh Do and Tuu Liet installations in the outskirts of Hanoi, beginning at the end of 1982. The test-growing period to determine the appropriate method for growing mushrooms has concluded and the Corporation has entered the phase of expanding production so that there can be regular mushroom harvests.

As of April 1984 the Corporation had harvested 9.1 tons of fresh mushrooms. In addition to the fresh mushrooms that are marketed as soon as they are harvested, the Corporation has set aside some for processing into "salted mushrooms" for initial exporting, which has created prospects for the processing of "export mushrooms" in Hanoi.

At present, the Corporation is selling fresh mushrooms at stores at the following prices:

"Fat" mushrooms: 65 dong per kilo.
"Clam" mushrooms: 35 dong per kilo.
Straw mushrooms: 50 dong per kilo.

Housewives are pleased over what the Hanoi Food Corporation has done, for from now on they can purchase fresh mushrooms for their meals. However, so that fresh mushrooms can become a relatively inexpensive dish affordable by the cadres, workers, and civil servants, the Hanoi Food Corporation should study the working method of the Cay Ong Corporation in Thai Binh. That corporation produces mushrooms that have been grown for a certain period of time and sells them to the people at the price of 12 dong per bunch. The people take them home and need only water them in order to gradually harvest them. Each bunch of mushrooms produces between 1 and 1.5 kilos of fresh mushrooms. All families living in the vicinity of Thai Binh City can grow mushrooms and fresh mushrooms are available at the markets and from private vendors. If they do the same, it is certain that the people of Hanoi can grow and harvest mushrooms at home.